

Pressure on land in peri-urban Vietnam

The impact of agricultural land conversion and the need for livelihood diversification in Thuy Duong commune



Thesis written by Elma Lodder
Master Thesis International Development Studies
Faculty of Geosciences, Utrecht University
Supervisor: Dr. G. van Westen

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Elma Lodder ©

Email: elma.lodder@gmail.com

Student number: 3683346

Msc student International Development Studies

Department of Human Geography

Faculty of Geosciences

Utrecht University, the Netherlands

Host organization: Hue University

College of Economics

100 Phung Hung Street, Hue City

Vietnam

Supervision

Dr. Guus van Westen (Utrecht University)

P.Q. Nguyen (Hue College of Economics)



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Foreword

Last year, September 2011, I started the Master's program of International Development Studies at the University of Utrecht. One of the main reasons why I chose this program alongside the other Master's program I am following at the moment (International Relations at the Free University in Amsterdam), is the focus upon both theory and development trends at the global to local level. Moreover, the opportunity to do a research-oriented internship in a developing country gave me the chance to get more hands on experience in doing development research. You can learn a lot while reading text books and attending lectures, however, once you are in the field a real new learning process starts. The preparation for the internship period started almost a year ago with the course, "Research Preparation", the preparation for the research proposal and taking care of practicalities such as visa and housing arrangements. It is not everyday that you get the opportunity to live and work in a country like Vietnam. During the preparation phase, I gathered information on the socio-economic situation of the country, its history and culture, customs, traditions and the environmental conditions, to get a better understanding of what to expect upon arrival. All in all, my adventure in Vietnam has been a great and learnful experience. Hue is a very charming city with a great atmosphere, where citizens are very warm and open.

It is my pleasure to thank all the people who helped me during the internship period and those who made this thesis possible. First and foremost, I would like to thank the people in Thuy Duong and all the people I met during my stay in Vietnam for being so helpful and for welcoming me into their homes and lives. The respondents were willing to cooperate with my research and shared their life stories in order to help me with my research, without them I would not have been able to successfully finish this thesis. I would furthermore like to express my gratitude to my supervisor from Utrecht University, Dr. Guus van Westen, whose expertise and guidance have helped me to finalize the last part of my Master year in Utrecht. I conducted this research to support the work undertaken by Phuc Quang Nguyen, a PhD candidate from the International Development Studies program at Utrecht University and lecturer at the College of Economics in Hue, Vietnam. I appreciate his assistance in helping me with arranging the practicalities as well as his support during the actual fieldwork in Vietnam. I am hoping we will be able to write an interesting paper on our research topic together, which will be send to Hue University for possible publication in the English edition of the Journal of Hue University. Last but certainly not least, I would like to thank my friends and family for their support and patience during the last year of my studies.

Thank you all!

Summary

In the context of economic growth, industrialization and rapid urbanization, large areas of land are converted to facilitate the construction of large industrial zones and urban (residential) areas across Vietnam. The conversion of agricultural land for the processes of industrialization and urbanization have consequences for the farming households who are losing a part or all of their agricultural land. This thesis deals with the consequences of agricultural land conversion on the lives of farming households in the peri-urban village of Thuy Duong, located in Central Vietnam. There are two main processes at play that heavily influence the daily lives of (former) farming households. On the one hand, the expansion of Hue is leading to agricultural land conversion and urbanization in Thuy Duong. On the other hand, Thuy Duong itself is changing in an urban commune. Living standards have improved over the years as a result of general economic growth alongside the emergence of new employment opportunities outside the agricultural sector, better infrastructure and increased mobility in the research commune. Nevertheless, agricultural land conversion puts more pressure on people to combine activities in the agricultural and non-agricultural sector and to shift to other forms of employment. The sustainable livelihoods framework is used to examine in what ways, and to what extent the lives of farming households are influenced by agricultural land conversion.

Up until now, 126 households have been affected by agricultural land conversion in the research area. It is the government who decides how much land will be taken, when the land will be taken and how much money is to be reserved as part of the compensation packages for the affected households. Due to the very short notification period (from two to six months), the families affected are not given much time to adapt to changing living circumstances when they lose their land. Interviews were conducted with members of 40 different households. While 24 out of the 40 households (60 percent) still have agricultural land, non-agricultural activities are the main source of income for the majority of the households. Monthly income derived from agricultural activities is simply too low to cover all living expenses, land plots too small, or the farmers are too old to work on their land. Moreover, the younger generations do not wish to work as farmers. The people working as farmers on their own land or as farm laborers on the land of others are all above the age of 55. They generally have low educational levels and no specific working skills which makes it difficult for them to find stable jobs outside the agricultural sector. Educational levels and other human capital assets are becoming more important. When looking for new employment, people heavily rely upon their own social networks, as more than 80 percent of all respondents noted that they found their current job with the help of their friends, relatives, and neighbours.

The role of farming activities is declining in contrast to the growing importance of non-farming activities to increase the total household income. The shift from the agricultural sector to the non-agricultural sector is a gradual process for those households where farming has never been the only source of income.

However, those households who heavily rely upon farming activities, on their own land or on the land of others by working as farm laborers, often have more difficulties in taking care of their families when agricultural land conversion takes place and agricultural land holdings decline. Whereas young people often find jobs in the industrial zone known as Phu Bai, entry barriers exist for the elderly. Educational levels and working skills are further generally low among the elderly which makes it difficult for them to find new stable employment opportunities outside the agricultural sector. It is the elderly who remain farmers or farm laborers which leads to new vulnerabilities. Especially in those situations where the elderly still have to take care of dependent children, or when they do not receive any support from their children. In short, although non-agricultural activities are considered to be positively related to higher income and sustainable livelihoods (Dien et al. 2011), the success of non-agricultural trajectories depends upon the households' 'starting position'. It is no given that people, especially the poor can actually take advantage of new employment opportunities outside the agricultural sector.

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List of abbreviations

AOAG	Agent Orange Action Group
BNA	Basic Needs Approach
CPC	Communal People's Committee
CPV	Communist Party of Vietnam
CRES	Centre for Natural Resources and Environmental Studies
DCC	District's Compensation Council
DFID	Department for International Development
EMR	Extended Metropolitan Region
FU	Farmer's Union
GDP	Gross Domestic Product
HUAF	Hue University of Agriculture and Forestry
IMF	International Monetary Fund
MOC	Ministry of Construction
PPC	Provincial People's Committee
SOE	State-Owned Enterprise
UE	Union for the Elderly
USSR	Union of Soviet Socialist Republics
VND	Vietnamese Dong
WU	Women's Union

Introduction

In Vietnam, agricultural land conversion is taking place in the context of the reform policies, also known as the *Doi Moi* policies. These policies were implemented to spur national development by shifting the political orientation from a centrally-planned economy, mainly looking inwards, towards a more market-oriented economy. Emphasis is placed upon integration into the world economy and export-led growth policies. National development plans also promote further industrialization and urbanization to turn Vietnam into an industrialized, middle-income country, with a highly urbanized population, by 2020 (DiGregorio 2011; Long 2012). Consequently, the industrial and services sector have seen enormous growth rates over the years and their contribution to Vietnam's GDP is changing the country's overall economic structure. Over a period of less than 20 years the contribution of the industrial sector to national GDP almost doubled while the contribution of the agricultural sector is shrinking. Although the role of the agricultural sector is declining in terms of its contribution to national GDP rates, more than 70 percent of the population is still engaged in farming activities on a daily basis (Thinh 2009; Dien 2011). The above mentioned plans will have an impact on the local populations whose agricultural land will be seized and it is important that the lives of the people affected will not be threatened by these national development plans to prevent rising inequalities. Even though industrialization and urbanization are used as poverty reduction strategies, these processes can result in growing regional disparities and social differentiation. On the one hand, the industrial sector is able to create employment opportunities for the rural laborers who no longer have agricultural land to work on. On the other hand, when employment opportunities are scarce, especially for the farmers losing their farmland, population and population density is high, large-scale land conversion can seriously aggravate unemployment rates under the redundant labor force present in Vietnam's countryside. Adding the recently become landless and jobless peasants to this group further exacerbates employment issues. In those situations where farmers are unable to successfully cope with their new living circumstances, social differentiation might increase the vulnerability of the farming households. Farmers who do manage to find new employment tend to work in the informal sector without a secure job, working long hours and having no stable income to meet basic subsistence needs.

In this research, emphasis is placed upon the ways in which the lives of household members have changed due to land conversion processes, and whether or not land is still seen as a crucial livelihood asset for the security and sustainability of people's livelihoods. A closer look is taken at Thuy Duong commune, where large areas of agricultural land are converted to facilitate the expansion and improvement of the infrastructural system, and the building of new urban housing areas. Moreover, large-scale development projects are set up to promote tourism. Gaining knowledge about the local living situations before and after land conversion provides useful insights into the impact of land conversion practices on the lives of the people who are directly affected. The overall aim of this thesis is to better

understand the complex interactions between agricultural land conversion, industrialization policies, urbanization trends, and what factors influence livelihood changes. Taken together, these developments may carry several implications for the people partly or fully losing their agricultural land, especially when taking factors such as poverty, landlessness, the level of political participation, and financial compensation packages into account. The sustainable livelihoods framework is used to look at the impacts of agricultural land conversion on the livelihood assets people possess and the livelihood trajectories taken on to deal with changing living circumstances.

Structure of this thesis

This thesis is made up of seven chapters, each chapter covering a different topic related to the research questions. The first chapter introduces the theoretical debates on the concepts of interest in this research. These include rural-urban changes, and the causes and consequences of these changes. Other important issues discussed in the first chapter are agricultural land conversion, and the impact of this process alongside the rural-urban changes for the agricultural sector. Chapter one ends by taking a closer look at the concept of sustainable livelihoods, and the sustainable livelihoods framework as a research tool. Chapter two presents the national and regional context in which this research is located. It provides an overview of important historical, geographical, social, and political issues in Vietnam in order to enable readers of this thesis to place the research topic in a broader regional and national context. Chapter three explains the methodology used for this research. The first section is devoted to the research objectives and the formulated questions before going into an explanation of the methods used for data collection. This chapter furthermore defines the conceptual model with the key concepts and how these are measured. The last section deals with the limitations of this research. Chapter four specifies the land tenure system in place in Vietnam and how land governance has changed before and after independence. It furthermore shows some of the implications of the latest legal developments regarding land governance for the livelihoods of local populations. Chapter five looks at the selected research area in more detail. Attention is drawn to the labor structure in the selected research area, the most commonly found economic activities, and how these have changed over the last decade. Emphasis is also placed upon land use changes, the rules and procedures followed when land is converted, and the compensation packages provided by the government and the investors. Chapter six elucidates the impact of agricultural land conversion on the livelihood assets defined in chapter one. The final chapter, chapter seven examines the livelihood trajectories taken on by the affected households and by the three different social groups, young adults, women and the elderly. This chapter is closely related to chapter six as it investigates the emergence of (new) vulnerabilities and social differentiation mechanisms among the affected households, and the social groups mentioned above. The main research findings are summarized in the conclusion, which ends with the formulation of (policy) recommendations and suggestions for further research.

1. Theoretical framework

This chapter is devoted to the main theories and concepts that help place the research questions within the wider academic debates on agricultural land conversion and related issues such as rural-urban interactions. Academic debates about these theories and concepts are linked to the research findings in later chapters of this thesis to support the exploration of the causes and consequences of agricultural land conversion in Thuy Duong. The theoretical framework is also used to identify existing research and knowledge gaps, and ways in which this research can contribute to the existing academic debates on related topics.

Scholars and policy-makers have long debated the causes and consequences of agricultural land conversion resulting in vast amounts of literature on this subject. Rural-urban transitions and the influence of industrialization and urbanization processes on the transformation of both rural and urban areas are important recurring themes. Clearly, there is not one explanation of the ways in which and why rural transitions occur. The perspective one adopts has an impact on the factors chosen to explain the nature of and the consequences of these changes. Several theories on rural changes throughout history tend to focus upon the political-economic aspects by describing how the rural sector is squeezed to benefit the capitalist development process of the agricultural sector, combined with industrial and urban development (see Cypher and Dietz 2008). In between, there are a wide range of theories on the interactions between the rural and urban sector and the need to create clear linkages between the two to improve the lives of the people living in both areas. Ongoing industrial and urban developments, particularly in developing countries, together with the increasing interest in land on a worldwide scale are important concepts used in contemporary approaches on agricultural land conversion and rural changes. The following sections provide a schematic overview of the main theories and concepts that are important for the subject under study.

1.1. Conventional thinking on the rural and urban sector

While agriculture and subsistence farming have always been important to sustain the livelihoods of families and whole communities worldwide, more and more attention is drawn to the role of the non-agricultural sectors for development purposes. After World War II, new ideas emerged about the role of industrialization to create development. It was often argued that economic development could be promoted through 'tapping' the hidden potential of less developed countries where this hidden potential was mainly found in the agricultural sector (Cypher and Dietz 2008). Lewis for example, argued that the so called surplus labor present in the 'traditional', agricultural sector could be shifted to the 'modern', industrial sector, where increased output required more labor input (Cypher and Dietz 2008; Kay 2009). Economic growth would eventually 'trickle down' to benefit both sectors. Moreover, in this view the traditional sector makes extensive use of family labor and is based upon old, labor-intensive technologies,

in contrast with the modern sector where new capital-intensive technologies and making profit are dominant (Macaulay et al. 2006, p.28-29). Marxist theories stress that the use of rural workers as cheap input for initial capitalist production in the industrial sector boosts capitalist development, through increases in output production and rapid accumulation of capital. Under the influence of capitalism, the old peasantry dissolves, leading to the demise of agricultural existence (also called depeasantization or deagrarianization). The rural economy eventually shifts to a full-fledged commodity economy (Macaulay et al. 2006). After a while class struggles arise due to the exploitation of the agricultural wage workers by those owning the means of production. In later stages of capitalist development, demand for labor is said to decrease due to the replacement of manual labor with industrial mechanization and the living conditions of the workers decrease rapidly. This leads to resistance and revolt against capitalist development by the affected workers (Ibidem). Both examples described above place emphasis on the industrial sector in order to stimulate economic growth. The focus upon developing the 'modern' sectors within countries ultimately resulted in an urban bias in terms of development thinking and government policies as argued by Lipton (Cypher and Dietz 2008). The prioritization of industry over agriculture is explained by the power relations at play in society, where power resides in the urban rather than the rural sector. Moreover, urban areas and industrialization are linked with modernity, whereas rural areas and the agricultural sector are again seen as traditional and conservative (Macaulay et al. 2006; Cypher and Dietz 2008). With considerable attention and money flowing to the urban sector, support for the rural sector lags behind. Lipton's theory of urban bias highlights that poverty is still more concentrated in rural areas. Industrialization alone will not reduce underdevelopment without redistributive policies and synergies between both sectors.

Points of criticism related to the theoretical approaches touched upon above refer to the focus upon activities taking place at the macro-level, and thereby neglecting the changes unfolding at the micro-level. Following the lines of argument of Scoones (2009), the larger macro-analyses emphasize the role of capitalism and the extraction of labor from the rural sector to serve the industrial sector. The focus upon the macro-level leads to negligence of contextual factors (Ibidem). This causes a gap between theory and practice, especially where a unilinear process based on economic laws is described. As argued by Bernstein and Byres (2001, p.3), agricultural transformations do not only rely upon economic factors: political and socio-ecological factors need to be considered as well. Political considerations and governmental policies heavily contribute to changes taking place on the ground, particularly in those situations where governments openly favor industrial development over rural development. Ecological factors such as the availability and quality of (natural) resources also play an important role in relation to changes taking place in the rural sector, where agricultural activities regularly form the most important economic activities for many households. For instance decreasing water quality, due to changing weather conditions or the use of pesticides and fertilizers, make it difficult for farmers to continue their agricultural activities. Yields might drop or the quality of the crops is not good enough which lowers the price paid for

the goods. Furthermore, Wilson and Rigg (2003) critique the 'traditional' work on rural change. They argue that it is based on unilinear considerations of experiences in the developed, Western world, whereas the ongoing rural transformations in the developing countries of the world show that there are multiple paths leading to rural changes, paths difficult to describe when using classical theories with a 'Eurocentric' view (Wilson and Rigg 2003, p.684).

1.2. Rural-urban interactions and transition zones

The traditional distinction made between rural and urban areas is no longer applicable to the unfolding processes in many of the developing countries today. This creates problems for policy-makers, who regularly do not take these changes into account and "divide their policies along spatial and sectoral lines" (Sheng 2002, p.3). Due to the interlinkages between rural and urban areas, nowadays numerous farming households are not solely reliant upon their land and agricultural production to secure the lives of their families. Workplaces are frequently located outside the village in urban areas and it is common to have farmland in a nearby location rather than close to the household's home (Macaulay et al. 2006). Farmers increasingly rely upon employment activities in the agricultural as well as non-agricultural sector which creates new configurations that further blur the traditional rural-urban divide. Rigg (2001) argues that rural areas are turning into "mixed-interest-spaces" where activities in both the rural and the urban sector are highly interrelated and complementary. Emphasis is also placed on the creation of so called 'transition' or 'peri-urban' areas where rural and urban come face to face. In these areas, rural and urban activities overlap. However, rural activities no longer dictate the ways of earning a living as non-agricultural activities become more important. This leads to agrarian transformations, agricultural land conversion for urban expansion, industrial development and pressures on the environment as noted by Phuong (2007). Ellis (in Potter et al. 2008, p.448) describes this process as livelihood diversification whereby "the process by which (rural) households construct an increasingly diverse portfolio of activities and assets in order to survive and improve their standard of living". The interrelation between rural and urban areas in the context of industrialization and urbanization results in changing roles for both geographical areas. Evidence from several Asian countries shows how farming is only one activity among many and how the growth of the non-agricultural sector increases the potential of deagrarianization (Rigg 2001, 2006). Changing perspectives about work and farming, together with the availability of non-agricultural opportunities in reach of those living outside urban centers, greatly influence the process of deagrarianization. Higher mobility makes it easier for people living outside urban centers to travel to the urban centers on a daily basis (Rigg and Nattapoolwat 2001). Nevertheless, concern is raised about the widening gap between the rich and the poor under these new circumstances, in particular when looking at the employment opportunities available to (former) farmers outside the agricultural sector. The highest income-earning and most secure activities are characterized by high entry barriers which increases the possibility of social differentiation (Sheng 2002; Start and Johnson 2004).

Another way of describing the interactions and interpenetration of rural and urban areas is through the lens of McGee (1995). McGee (1995) uses the concept of Extended Metropolitan Regions (EMRs) to investigate the spread of urban activities, and emerging urban and rural interactions, in Southeast Asia. According to Watters and McGee (1997, p.35-36), a metropolitan region is a region where the urbanization process involves city expansion into the surrounding rural areas, sometimes even up to 100 km from the urban city centre. The geographical area is characterized by a growing proportion of the population engaged in non-agricultural activities, and the growth of the industrial and services sector, alongside the establishment of urban residential areas and industrial zones. Bangkok, Manila, Tokyo, Hong Kong and Ho Chi Minh City are examples of large metropolitan areas in Asia. McGee (1995) further uses the concept *desakota* to describe large Asian cities having peripheral areas with high population densities. The difference between *desakota* areas in developing countries in comparison to peri-urban and urban areas in developed countries is spatial. Rural households that become integrated into the urban economy do so without massive migration to urban centers in developing countries, whereas urbanization in the developed world is characterized by large-scale migration from rural to urban areas (McGee 1995; Sorenson 2006). Watters and McGee (1997) explain that farming households are extensively integrated into metropolitan economic networks stretching all the way from the city core to the outskirt areas. Drakakis-Smith and Dixon (1997) compare the urban changes in Thailand, where economic growth is highly concentrated in the Bangkok Metropolitan Region, with the ongoing growth of major urban centers in Vietnam, particularly in and around Hanoi, Ho Chi Minh City and the Danang-Hue region. The article follows the lines of argument by McGee and argues that the major economic zones are linked to each other. These linkages further support urban expansion and the construction of EMRs (Ibidem). This form of urbanization makes it possible for farming households to participate in the urban economy while at the same time continuing to work as farmers on their land. Deagrarianization is not described as inevitable, in contrast to Rigg (2001). Rigg (2001, p.124) points out that studies utilizing the EMRs and urban villages' approach are too focused on the spatial divisions based upon the proximity and level of interaction between rural and urban areas. Whereas McGee (1995) argues that rural development occurs because of the clear links with the urban economic sectors, Rigg (2001) stresses that rural areas can certainly promote economic growth 'on their own'. Development does not follow a clear pattern and local structures and pressures are the indicators to encourage national growth.

1.3. What is left for the agricultural sector?

The past decades have seen an enormous growth in urban areas worldwide and many countries actively promote the expansion of the industrial and services sector rather than expansion of the agricultural sector. Meijerink and Roza (2007) illustrate that the focus in the 1990s on greater openness to trade, liberalization, and deregulation policies led the agricultural skeptics to argue that the economic potential of the rural sector was diminishing. It was no longer seen as an engine of growth. The growing importance of globalization, a process linked to an increased global interconnectedness, a time-space

compression and intensification of worldwide political, social and economic relations (Potter et al. 2008, p.128), also altered the role for the agricultural sector. According to Macaulay et al. (2006), the previous model based on a) the creation of economies of scale within the agricultural sector and b) intensification and specialization for industrial development purposes, failed to bring actual development in rural areas. Besides decreased employment opportunities in the agricultural sector and insufficient employment opportunities outside the agricultural sector, farm numbers have declined enormously (Macaulay et al. 2006; Meijerink and Roza 2007). Another important factor impeding agricultural development relates to the unsustainable use of natural resources, and environmental issues such as soil degradation and water pollution. Ploeg et al. (2000) note that a focus on the creation of economy of scales and agricultural specialization to modernize the agricultural sector put too much emphasis on modernization. The modernization paradigm is used to describe theories looking at ways to create economic development in order to 'modernize' the more traditional (often rural) countries. As described by Hettne (in Potter et al. 2008, p.84), "emphasis was placed on a simple dichotomy between development and underdevelopment. Thereby developing countries would inexorably come to resemble developed countries, and in 'practice, modernization was thus very much the same as Westernization'". According to Ploeg et al. (2000, p.393), the 'modernization' paradigm has not brought prosperity to the agricultural or non-agricultural sector. In order to create overall development, we need to establish a rural development paradigm where the creation of 'mutual benefits and win-win situations between different activities' is encouraged (Ibidem).

The last decade has seen a renewed interest in the role of the agricultural sector for national economic growth. The 2008 World Bank report on the possible contribution of agriculture to development and poverty reduction states that; "In the 21st century, agriculture continues to be a fundamental instrument for sustainable development and poverty reduction.[...] Yet, agriculture has been vastly underused" (World Bank 2008, p.1 and 7). Calls have also been made for a new paradigm regarding the importance of the agricultural sector for socio-economic development, the provision of food security, and the sustainable use of scarce natural resources. Tacoli (2003) stresses the need for clear linkages between the rural and the urban sectors in development policies in order to promote more "pro-poor, regional economic growth" (p.4). In short, the above concepts and research approaches show that rural and urban areas are clearly interconnected. It is essential that policy-makers take note of the interlinkages when designing rural, urban or ideally better, rural-urban development strategies. The developments tackled so far ultimately lead to declining land availability, another important issue for this research. This is discussed in the next section.

1.4. Land conversion

Land conversion refers to land use changes and land seizures to convert a certain type of land use into another (Dien et al. 2011). At all levels of society, land conversion processes and large-scale land acquisitions are emerging trends. In this thesis, land conversion is linked to agricultural land conversion

for industrial growth and urban expansion projects. Land conversion is not new, however, recent trends show that the rate of land conversion, and changes in the use and ownership of land diverge, from past land conversion processes (Macaulay et al. 2006; Zoomers 2010). The growing interest in land stands in stark contrast with the scarcity of this natural resource leading to conflicts between the preferences of those actors involved, and the people affected by these preferences. Non-agricultural land use activities often boost the value of land considerably, which is one of the main reasons why large plots of agricultural land are converted into other forms of land use (GRAIN 2008; Zoomers 2010). The benefits are regularly not equally shared, especially not in those situations where farmers lose their land and face difficulties when looking for other ways to make a living. Land conversion is thus leading to severe challenges for the lives of the already vulnerable groups within society. While the buyers and sellers of land increase their power and financial position, the most vulnerable groups within society are bypassed and become even more marginalized (GRAIN 2008; Zoomers 2010; Dien et al. 2011). Underlying power relations play a crucial role in determining the outcomes of land conversion processes leading to the question of who benefits and who loses?

According to Azadi and Hasfiati (2011), the main factors influencing agricultural land conversion include industrialization and urbanization processes, and policies encouraging these two emerging trends. Several scholars argue that agricultural land conversion is unavoidable in countries experiencing rapid economic growth (Martine et al. 2008; Thinh 2009; Azadi and Hasfiati 2011). Much research has been done on the positive effects of agricultural land conversion in terms of economic development; for example the research by Azadi and Hasfiati looking at the drivers of agricultural land conversion. While they mention the difficulties faced by developing countries in the management of urban development and agricultural land conversion, no attention is paid to the ways in which the lives of the local populations change due to land conversion. Han and Vu (2008), Nguyen (2008), DiGregorio (2011) and Dien (2011), all researched land use changes due to urban expansion of Vietnamese cities. General findings encompass emerging land and compensation conflicts, the consolidation of agricultural and non-agricultural work and a decrease in income sources derived from agricultural activities. Nguyen (2008) and Dien (2011) note that reactive measures are taken rather than active measures in terms of keeping up with changing living circumstances. Moreover, people's access to new employment opportunities, their knowledge base and financial resources influence their degree of success in adapting to changing living circumstances and broader societal developments. The sustainable livelihoods framework is frequently adopted in research on agricultural land conversion to look at these issues in-depth, to create better informed and more people-centered policies. As the sustainable livelihoods framework guides this research, the last section of this chapter delves into the sustainable livelihoods approach.

1.5. Sustainable livelihoods

The sustainable livelihoods approach gained attention in the late 1980s, at a time when development thinking was heavily influenced by the neo-liberal and dependency approaches towards poverty and development (Scoones 2009). During this era, macro-economic approaches were used to deal with poverty issues. Poverty was largely described in economic terms as a general lack of income and a low level of gross national product per capita. As a reaction to this restricted view of poverty and development strategies, first the basic needs approach (BNA) evolved, emphasizing that there were large differences in the absolute and relative poverty rates. The basic needs necessary to help people crawl out of poverty and to create a minimum level of welfare for the poor included access to consumer and collective goods to improve material and non-material well-being (Potter et al. 2008). Over time, new thinking emerged on the factors influencing poverty, such as cultural and political values in society. Poverty and development became increasingly linked to non-income indicators to look at human well-being. Poverty was a very complex and multi-dimensional concept that could not be explained by only using economic indicators. Amartya Sen's capabilities approach, focused on someone's capabilities and his or her own perceptions of desirable strategies to reduce poverty, have influenced the livelihood approach (Kaag et al. 2004). The sustainable livelihoods framework goes beyond thinking merely about production, employment and poverty to tackle the diverse realities faced by the world's poorest (Chambers and Conway 1991).

A livelihood comprises "the capabilities, assets (material and non-material resources) and activities required for a means of living" (DFID 1999, p.1). The framework serves as a tool to determine which factors influence livelihoods, how these factors relate to each other and how people construct their livelihoods. People's strengths, and the constraints and possibilities people face to improve their livelihoods, are central to the approach, rather than a focus on the needs of people. Key to poverty reduction achievements are the 'assets' people possess, access to these assets and the actual activities carried out with the help of the different assets. Five different assets were originally identified: natural; human; social; financial; and physical capital (Bebbington 1999; DFID 1999). According to Bebbington (1999, p.5), "assets - or what we call capitals in this framework - are not simply *resources* that people *use* in building livelihoods: they are assets that give them the *capability* to be and to act". By using the bundle of assets people have access to, they are able to shape their own futures and thereby become active agents able to make a living (instrumental action), create a meaningful livelihood (hermeneutic action) and challenge the structure in which people try to build their livelihoods (emancipatory action) (Bebbington 1999, p.5-6). The different capitals are explained in figure 1.1.

Figure 1.1. The sustainable livelihood capitals

Natural capital: The goods and services from nature that are imperative for survival and general well-being, including tangible goods such as water, trees and land and intangible natural assets such as the atmosphere and biodiversity.

Human capital: The skills, knowledge, ability to labour, good health and level of education people possess to achieve their objectives. A distinction can be made between the quantity and quality of the human capital endowments.

Social capital: Everyday interactions between people, relationships of trust, respect and reciprocity, networks and membership to – both formal and informal - groups and organizations are social capitals used by people to construct their livelihoods.

Political capital: Rights and claims to assets are influenced by people's access, political freedoms, access to information and levels of political participation. The right to utilize and access assets is politically determined which makes political capital a vital component in livelihood research.

Financial capital: Monetary assets people have to sustain and improve their livelihoods involving available stocks (cash, bank deposits, liquid assets) and regular inflows of money apart from the own earned income of household members. Examples of these regular inflows are remittances and pensions.

Physical capital: Basic infrastructure and physical goods (producer and consumption), for example adequate and secure sanitation, housing and buildings, affordable transport, energy supplies and the communication system in place

(DFID 1999).

The capitals can be converted into other capitals. Financial capital is used to acquire other forms of capital, for instance when financial capital is used to improve one's human capital by investing in education or training. Physical capital helps to strengthen people's access to financial capital by making it easier to travel long distances and find new ways of securing livelihoods away from home. It can also strengthen someone's social capital when social networks are broadened and people are able to access resources and actors more easily. Altogether, people draw upon various capitals to create a sustainable livelihood. A livelihood is only considered to be sustainable when it is able to deal with and recover from external factors introduced under the 'vulnerability context' (see figure 1.2).

Figure 1.2. The vulnerability context

Trends	Shocks	Seasonality
- population growth	- natural disasters	- employment
- availability of resources	- economic crises	- price changes
- economic trends	- health shocks	- health
- governance trends	- conflict	- production
- technology trends	- crop shocks	
- climate change		
- urbanization		

(DFID 1999).

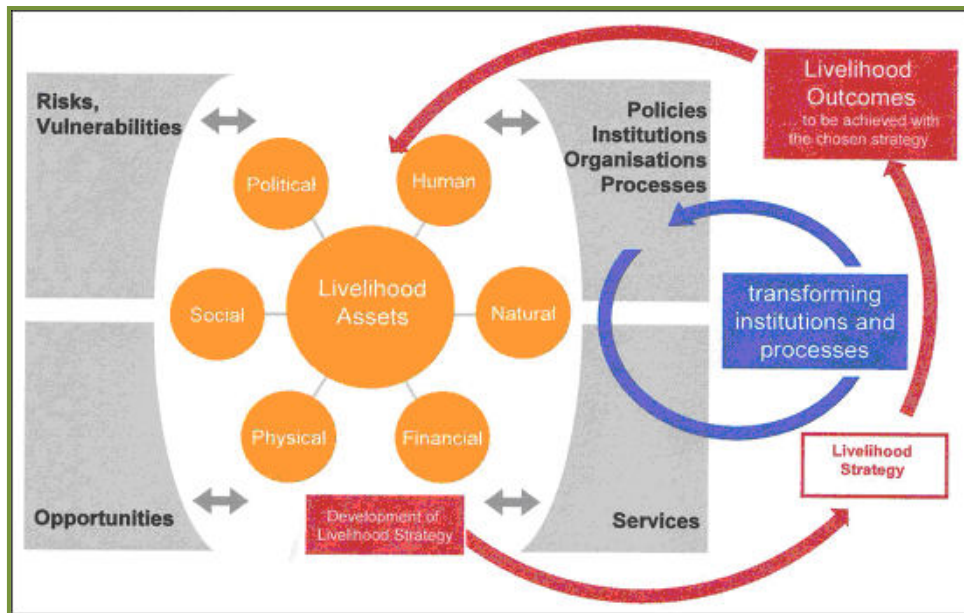
It is important to note that people have restricted or no control over the ways in which the different capitals are influenced by elements of the vulnerability context. People's ability to act becomes even more essential when their livelihoods are threatened by external factors such as floods, droughts, land conflicts and economic downturn. With the rise of climate change issues, economic crises throughout the developed and developing world, and conflicts regarding natural resources, the vulnerability context needs careful attention. Trends refer to the more long-term and gradual processes at play that influence people's livelihoods, while shocks and seasonality are linked to rather short-term and unpredictable events. These events can easily destroy some of the building blocks of people's livelihoods, thereby increasing people's vulnerability.

The livelihood options people have are further determined by structures present in society, encompassing the policies, institutions (formal and informal) and processes at play from the local to the national and even the global level (de Haan and Zoomers 2005). Structures, processes and institutions refer to the actors and institutions present in society whose output (for example policies, legislation and public services) have an impact on access to the livelihood assets, the trajectories taken on by people and livelihood outcomes (DFID 1999). The policies shaped at different governmental levels affect people's ability to access and use the livelihood capitals they possess. People might gain decision-making power through more decentralized forms of governance and the implementation of participatory governance or their access, to for instance natural resources, might be restricted by new environmental conservation policies. Start and Johnson (2004) point out that the ability to sustain or improve one's livelihood is framed by structures and processes present at the macro and micro levels which determine access to new and productive livelihood options and opportunities. This creates new vulnerabilities and marginalized groups within society when people are negatively affected by the structures in which they try to create a sustainable livelihood. However, as shown in figure 1.3, the structural factors can be

transformed through the chosen trajectories and livelihood outcomes. On the one hand, people are influenced by the policies and institutions in society while on the other hand they are able to influence the policies and institutions.

Figure

1.3. The



sustainable livelihoods framework

(Poverty-Wellbeing 2012).

The original sustainable livelihoods framework introduced by Chambers and Conway (1991) altered ever since it was first mentioned as an approach to deal with poverty issues. For instance, de Haan and Zoomers (2005) argue that too much emphasis is placed upon the ability of people to deal with crises (coping strategies) rather than on social upward mobility and overall development (accumulative strategies). Another deficiency of the livelihood approach when it was adopted in mainstream development thinking was its instrumental and economic focus, rather than examining the actual realities faced by events happening at the local level. Moreover, it neglects broader social and institutional dynamics at the global, national, regional and local level (Kaag et al. 2004; de Haan and Zoomers 2005; Scoones 2009). As mentioned by Scoones (2009, p.181), livelihood approaches are often put aside due to the incompatibility with actual decision-making processes since the approach is regarded as too complex and unable to provide solutions to “real-world problems”. Livelihood studies are continuously moving forward by incorporating these critiques to improve livelihoods research.

Conclusion

The theories on agrarian changes and the role of the agricultural sector in development prove that despite the implementation of numerous development interventions, there is no single recipe or silver bullet to strengthen socio-economic development in rural and urban regions. The various policies on rural development pursued by different countries worldwide show that there is considerable variation between and within countries. Currently, the developing world is going through large-scale modernization processes based on industrialization and urban development. In the past, the rural and urban sector were seen as two separate geographical areas; the rural sector being traditional, backward and conservative and the urban sector characterized as the modern sector. In today's interlinked world, clear dividing lines between rural and urban sectors are no longer present. On the one hand, this interpenetration leads to increased flows of goods, people, money, information, knowledge. On the other hand, new problems present themselves. Not everyone is able to benefit from the new opportunities created by these urban-rural linkages. The promotion of industrial growth and urban expansion by governments leads to the rapid conversion of agricultural land. As a result, many farmers lose part or all of their agricultural land and become increasingly dependent upon non-agricultural activities to support their lives.

In the selected research area, Thuy Duong commune, rural-urban interactions turned this former rural commune into a peri-urban area where one can see the presence of agricultural as well as

non-agricultural activities. By investigating how agricultural land conversion for urban expansion and industrial growth influences the lives of those affected, it becomes possible to detect whether or not there is a certain degree of deagrarianization, whether the socio-economic changes and physical changes in Thuy Duong resemble the characteristics of desakota regions and how these changes have led to new opportunities and challenges. The sustainable livelihoods framework provides a way to look at the changes in people's lives to indicate who benefits, why they are able to benefit from changing living circumstances and why others are not able to benefit. This research thus provides more detailed information on how accurate and applicable existing theories on economic growth models, rural-urban links, urbanization and the transformation of livelihoods are in the selected research area.

2. The Contextual Framework

In 2010, Vietnam achieved middle-income country status in terms of its economic performances after decades of economic hardship, and profound economic and political reforms. Although the country is now often praised for its steady path towards overall development and poverty reduction achievements, Vietnam's developmental pathway is described as highly uneven. The gap between the rich and poor is increasing rapidly (Que and Thanh 2001; Ngoc and Dash 2008). This chapter overviews some of the main characteristics of Vietnam regarding its history, socio-economic status, geography, climate, political system, and the main governance challenges to secure sustainable development. Moreover, Thua Thien Hue Province and its capital city, Hue (an important city for the selected research area) are described. Doing so enables the research findings to be placed in a broader national and regional context to see how contextual factors also influence the lives of local populations in later chapters of this thesis.

The national context: Vietnam

2.1. History

Vietnam has a troubled past, a history marked with foreign invasions and national revolts to end foreign rule. The country was dominated by the Chinese for over 1000 years until the end of the 19th century when the French colonized the country. During World War II, the Japanese invaded Indochina (and thereby Vietnam) and kept the French administration in place. In a timespan of less than two years, millions of people starved to death under the Japanese occupation because the Vietnamese were forced to contribute food, money and other domestic needed resources to Japanese armed forces (Dung 1995; Murray 2008, p.30). After Japanese defeat by outside forces, the French stepped back in and constantly fought with domestic communist forces under the guidance of Ho Chi Minh ('Uncle Ho'). Vietnam became an independent but divided nation under the 1954 Geneva Conference. From 1954 onwards, the North was ruled by communist forces under the guidance of Ho Chi Minh while the South was ruled by a non-communist regime backed by the United States and other allies (Dung 1995). One year later, the American War started between the two regimes in the North and the South with the support of China and the USSR for the communist forces, and support from non-communist allies for the forces in the South. The American War came to be known all over the world under the Vietnam War, however, in Vietnam it was and still is referred to as the American War rather than the Vietnam War. The American War came to an end in 1975 and Vietnam became officially reunited in 1976 (Murray 2008). Due to the war, economic performance collapsed, infrastructure was heavily damaged, millions of people died and poverty was widespread. In addition, the wide-scale use of chemicals such as 'Agent Orange' by American armed forces destroyed large plots of land, houses and most importantly, severely affected health conditions. In an article published by the Agent Orange Action Group (AOAG), Dr. Vo Quy, member of the Centre for Natural Resources and Environmental Studies (CRES) states that:

“The war has ended for 38 years. Although Vietnam has attained miraculous changes in many fields, the country remains blighted by toxins which are not only harmful to environment but also affect seriously health [...] These diseases have made people [...] suffer interminable pains and deep psychological wounds together with prolonged and profound social consequences. During ten years from 1961 to 1971, the US military sprayed about 80 million liters of toxins [...] over about 26000 villages with an area of more than 3.06 million ha”

(AOAG 2012).

The next major step was the introduction of the *Doi Moi* policies in the mid-1980s. These policies are the main driving force behind the country's shift from a centrally-planned economy to a market-oriented economy (Macaulay et al. 2006; Dien et al. 2011). The implementation of the reform policies ended the post-war period of inward-looking isolation policies focused upon domestic growth, restricted integration in the world economy and broader international relations. After 1986, trade barriers were reduced, foreign direct investment encouraged and diplomatic relations with other nations initiated.

2.2. Demographic trends

With a population of over 90 million inhabitants, Vietnam is the 13th most populous country in the world. General shifts in demographic trends include lower infant mortality rates, high (urban) population growth rates, higher life expectancy rates and linked to this latter trend, an ageing population (Long and Pfau 2007). While overall human development is improving, the trends in Vietnam still fall short of the region's average human development indexes. The UN (2012) indicates that significant gaps are still in place and include unequal access to education for boys and girls, growing rural-urban disparities, and unsafe health behavior such as unsafe sex and unsafe abortions. Due to the higher mobility of the Vietnamese population, sexually transmitted diseases occur more frequently, especially along the main transport routes. The gender division in Vietnam makes women more vulnerable to these health risks than men. Taken together, these issues could negatively influence socio-economic development within the country. Hence, the report highlights the need to tackle all issues to prevent lower human well-being (UN 2012).

The urban population in Vietnam is increasing with an average growth rate of 3 percent per year compared to 0.1 percent growth for the rural population. This is a result of increased industrialization and general national development plans focused upon urban growth (UN 2012). At present, around 30 percent of the population in Vietnam resides in urban areas. This percentage is estimated to augment to around 45 percent by 2020 (DiGregorio 2011). Although some argue that it is necessary to slow down or

halt urban growth to prevent poverty, environmental and related socio-economic issues (see UNFPA 2007), urbanization is promoted by the Vietnamese government to encourage socio-economic development. The Ministry of Construction (MOC) is the central government agency responsible for urban development and related issues in Vietnam. In 2001, it put forward the national plan for urban development. Under this new plan several objectives were identified:

- Encouragement of urbanization in intermediate-sized cities
- Encouragement of the relocation of polluting factories present in inner city circles towards (industrial) areas outside the city circle
- Limit further urbanization in large cities to decrease existing population density
- Limit the conversion of agricultural land for urban development
- Improving public service delivery and urban housing policies

(Webster 2004, p.14-15).

Until recently, the focus on urbanization in Vietnam was mainly placed upon the larger cities, for example Hanoi, Haiphong and Ho Chi Minh City. Nonetheless, intermediate-sized cities will become increasingly important in the coming years, as these cities are seen as new growth areas where opportunities for development are still present (Satterthwaite and Tacoli 2003; UNFPA 2007). The promotion of urbanization in intermediate-sized cities in an attempt to promote economic development across different regions and cities is a general argument found in the literature on Vietnam and urbanization (Nghì 2008). This will also slow down further growth of already large cities such as Hanoi and Ho Chi Minh City. The Vietnamese government regularly opts for the conversion of agricultural land to facilitate further urbanization and industrial growth (Van Suu 2008; Dien et al. 2011). While urbanization is on the rise, at present, 70 percent of the Vietnamese population remain rural citizens, whose lives are heavily impacted by urban development policies, including agricultural land conversion (Thin 2009; Dien 2011).

2.3. The economy

The country's economic structure has been changing ever since the reform policies were introduced by the government. From a previous focus on the agricultural sector, development policies are now geared towards the promotion of the industrial and services sector. Consequently, the contribution of the agricultural sector to Vietnam's GDP decreased substantially. In 2009, the agricultural sector contributed to 17 percent of total GDP compared to 1990 when the share of the agricultural sector was 32 percent (GSO 2010). In contrast, the contribution of the industrial sector of total GDP in Vietnam rose from 25 percent in 1990 to 42 percent in 2009. Even though agriculture only covers 17 percent of total GDP, the percentage of Vietnamese people employed in the agricultural sector remains high, accounting for over 50 percent of total employment opportunities in several regions (Thin 2009). Employment opportunities in the industrial sector improved only slightly, from 11 percent in 1990 to 20 percent in 2009 (GSO 2010). The number of new jobs available do not outweigh the rapidly growing labor force. This leads to

problems for those not able to find new employment and who are therefore not able to generate enough income to support themselves and their families (Phuong 2007; Van Suu 2008).

Vietnam exports agricultural products including rice (for which it is the world's second largest exporter) rubber, tea, soybeans, cashews, sugar cane, fish and bananas (CIA 2012). Non-agricultural export products are oil, garments, textiles, footwear and coffee (Ibidem). In the latest World Bank Development Report on Vietnam, Deepak (2011) mentions several challenges for further economic growth, including double-digit inflation, a depreciating currency, capital flight, and loss of international reserves. Many products have become much more expensive over the years. This makes it difficult for the people to cover their daily expenses as well as to save money to invest in long-term initiatives. Furthermore, inflation leads to social unrest and dissatisfaction with current wage levels. An article was published in January 2012 on growing industrial unrest among unskilled factory workers in Vietnam (Bland in Financial Times 2012). The number of strikes reached over 800 in the first couple of months of 2011 when the level of inflation reached 18 percent (Ibidem). The number of (reported) strikes doubled in less than one year. The government is trying to stabilize the level of inflation by cutting interest rates and promoting economic growth strategies. Earlier this year, government leaders came together to discuss the progress made so far towards the implementation of Vietnam's socio-economic development plan of 2012 (Resolution 01/NQ-CP). Besides the growth potential of the economy, the government acknowledged the fact that there are several weaknesses that need to be resolved (Chinhphu 2012). These include high industrial input costs, slower sales rates leading to reduced production scales, and large-scale unemployment (Chinhphu 2012). The country's economic growth rate during the first quarter of 2012 is estimated at 4 percent, lower than the two previous years when average growth levels reached nearly 8 percent (Ibidem). While significant results have been achieved in terms of poverty reduction achievements, challenges remain as the economy is still fragile and highly exposed to external influences.

2.4. Industrialization

Industrial development started around the 1960s when the importance of heavy industry development was highlighted (Dien 2011). The industrialization policies at that time were strongly influenced by socialist thinking. The Vietnamese government claimed ownership of all industrial enterprises. Further, ownership rights, price levels and production levels were all determined by governmental agencies (Ibidem). Due to the orientation towards inward industrialization, for the domestic market only, and the heavy exploitation of natural resources, industrialization did not result in the desired and previously predicted economic growth rates. In addition, according to Dien (2011), "the tight control that the State exercised over enterprises deprived employees and managers of creative capacities. As a result, production did not increase and remained very dependent on the State's resources" (p.24). Whereas past policies were focused on industry for production, industry for consumption became more important under the *Doi Moi* policies. To accommodate further industrialization, plots of (agricultural) land are converted

for the expansion of industrial zones and linked infrastructure development projects. Kerkvliet (2006, p.298) points out that these developments result in increasing conflicts of interests occurring in those situations where seized agricultural land is used for industrial zones. In such instances, the interests of private investors and the more well-off Vietnamese citizens overrule the interests of large parts of the local population. Moreover, access to work in the industrial sector is limited to a selected group of people, most often the younger generations, resulting in social as well as economic problems for the elder generations (Kerkvliet 2006; Guzmán and Saad 2008). These issues are discussed further later on in this chapter and in the following chapters of this thesis.

2.5. Culture

The main values and customs in the culture of Vietnam contain allegiance to the family and to the country, having a good reputation, respect for others, hierarchical relations, living in harmony with each other and a desire to learn (Murray 2008). Children are expected to obey their parents as well as their older siblings, children should do well in school, work hard to support their family and honour the family name. Due to the gender roles in Vietnam, younger brothers generally do not have to obey their older sisters, whereas the older sisters do have to listen to their younger brothers (Vietnam Culture 2006; Murray 2008). In two-headed households, men are still seen as the head of the household and responsible for the overall well-being of the family, even though the role of women as breadwinners is rising. While Western influences are found more regularly, especially in urban areas, family life continues to be very important for many Vietnamese people. Family members are still expected to put family needs before individual accomplishments when necessary (Murray 2008). The respect and hierarchy present within families can be extended to social relationships outside family spheres. Teachers, authority figures and the elderly should be respected at all times. Respect is furthermore generally based on someone's position within the family as well as society, his or her status and age (Murray 2008). The wish to avoid unpleasant or embarrassing situations is another common feature of Vietnamese values. Cultural values have a great influence on day-to-day life and these should be taken into account when looking at the ways in which different social groups in society are affected by changing living circumstances.

2.6. Ecology

Vietnam is located in the East Asian Pacific Region, sharing land borders with China in the North and Laos and Cambodia in the West. The total land area covers an estimated 310.070 km² with a coastline of around 3000 km long, running from the North all the way down to the South. This particular coastal feature provides ideal conditions for the creation of major seaports and trade by sea (Murray 2008). The country is further classified as very mountainous and densely forested. Mountains and tropical forests cover 40 percent of the total land area (Murray 2008). Agricultural land equals 33 percent of the total land area in Vietnam (World Bank 2012a). The highest mountains can be found in the Northwest, Northeast and the Central Highlands. Additionally, the low-lying coastal areas, the Red River and Mekong River

Delta are also known as the two rice baskets of the country due to the favorable conditions for wet-rice cultivation.

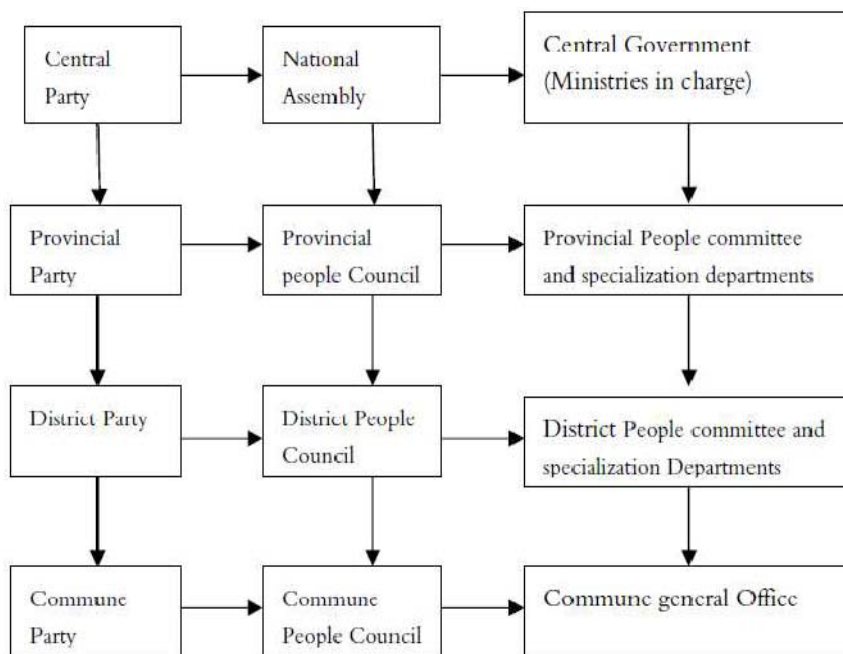
Climatic conditions differ considerably across the country. The North experiences four seasons, spring, summer, autumn, and winter while the South experiences a wet and a dry season (FAO 2011). The Mekong Delta floods on an annual basis, typhoons and tropical storms coming from the South China Sea furthermore flood the coastal cities and villages along the Central Coast. Due to its many rivers and low-lying coastal areas, Vietnam is highly threatened by expected sea level rises and further climate change developments (UNDP 2012). Unsustainable economic growth also challenges environmental quality. With an increasing demand for motorbikes due to a lack of public transport services, air pollution is vastly increasing. Other environmental problems include widespread littering, overfishing, the use of chemicals and fertilizers on agricultural land, and general exploitation of natural resources. The government must ensure that its current policies integrate sustainable development practices. The government acknowledges the importance of promoting sustainable development, and the challenges it faces with population growth, more energy use, increased consumption and exploitation of the natural resource base. In 2004, the Strategic Orientation for Sustainable Development was approved by the CPV (Vista 2005). This strategy towards sustainable development incorporates “combining economic growth with social progress and equity and environmental protection with achieving fast, effective and sustainable development” (Ibidem). Unfortunately, good intentions do not automatically lead to good practices on the ground. The presence of environmental legislation is not enough when there is insufficient implementation and low enforcement of these policies (Parkes 2010). A lack of governance capacity and willingness to change current development patterns impedes the pledges made by the Vietnamese government in relation to sustainable development practices (Deepak 2011; Dien 2011).

2.7. Political system

Vietnam is ruled by the Communist Party of Vietnam (CPV), established in the 1930s by Nguyen Sinh Cung, also known as Ho Chi Minh. The political system is characterized by a one-party system where the CPV is the only political party. Opposition parties are not allowed. The CPV leads all actions and ideas of its governing bodies, including the National Assembly, the ministerial departments and other political organizations. Democratic centralism is an important feature of the political system. This means that while members of the political party are allowed to discuss the drafted policies of the CPV, after a decision has been made all members are expected to follow and support the decision (Kolko 1997). As stated by the Ministry of Foreign Affairs (2010), “all Party cells and members working in the State agencies as well as socio-political organizations must strictly observe the Party’s resolutions and directions; the Party cells direct the concretization of these documents into the State’s laws and organizations’ regulations as well as their implementation”. The government makes extensive use of their state-run unions to introduce governmental policies to the Vietnamese people (Murray 2008, p.35). Although decentralization policies

were initiated as part of the process towards reorganizing the political structure by giving more decision-making power to lower levels of government, Fritzen (2006) argues that there is a gap between intentions and actions on the ground. He concludes that decentralization policies are not fully implemented, at the expense of more decision-making power of the local governments and political participation of local people. An overview of the political system is provided in figure 2.1. As said before, the Central Party guides all the political organizations. The National Assembly presents the constitutional and legislative branch of the government, it decides upon the drafted policies and it monitors the activities of the government. As noted by Thi (2009), some people are members of several organizational entities such as the Party and National Assembly, the National Assembly and government or the Party and government.

Figure 2.1. Structure of the political system in Vietnam



(Thi 2009, p. 85).

While the Constitution cites that the political system is for the people, with the CPV representing the rights and interests of the working class, its current policy path seems to be working against the interests of the working class. This is particularly true in those cases where government officials misuse their power for personal gain, and where the interests and concerns of the local populations are bypassed by governmental policies. Kolko (1997) and Murray (2008) argue that the CPV is dealing with severe contradictions between its ideological base and the policies implemented in practice. The Party's economic doctrine, promoted with the *Doi Moi* policies, is leading to extensive privatization of once nationalized state industries to encourage further growth of the economy. By doing this, Kolko argues that

the Party is “abandoning a very large part of the socially positive achievements of the past”, revealing not only “a lack of deep socialist values but a total ignorance of economic history” which will eventually lead in the total dissolution of socialism altogether (1997, p.29). Where the CPV was able to thrive with the support of the rural masses in the past, it is now rapidly losing this mass base due to the problems faced by the people living in the rural areas and the lack of government support. Some CPV leaders stated that they are afraid that the growing disparity between urban and rural areas will weaken the party’s power base (BBC 2012). According to Kolko (1997), the CPV is now often regarded as a party whose members are the more well-off, and members who frequently misuse their power for personal gain. The misuse of political power and widespread corruption is broadening social disparities rather than dissolving these inequality problems as argued by Fritzen and Brassard (2005). These problems are further aggravated by the lack of democratic principles (Amnesty International 2010). Political participation is very restricted, censorship and internet monitoring are common, and public criticism of the CPV and its policies is not tolerated. Political dissidents and human rights activists are routinely harassed and at times put in prison, where they live in harsh conditions, without having received fair trials (Thayer 2009; Amnesty International 2010). Reports, news articles and videos are available on the internet where the police is accused of violent misbehavior against protesters resisting agricultural land conversion (Eurasia Review 2012; International News France 24; Ruwitch 2012). These events have serious consequences for democracy and the lives of the Vietnamese citizens who have limited ways to openly show their discontent with the CPV and its policies. Before going into the section on the regional context of Thua Thien Hue Province and the city of Hue, the next section provides more information about agricultural land conversion throughout Vietnam. More specific information about agricultural land conversion in the selected research area is given in chapter five.

2.8. Agricultural land conversion

Agricultural land conversion is taking place at a fast rate due to the changes in the Vietnamese economic structure and the policies pushed forward by those in charge. The *Doi Moi* policies intensified the rates of industrialization and urbanization and thereby changed both rural and urban landscapes drastically over the past three decades (Nguyen 2008; Thinh 2009). Urban and industrial growth puts enormous pressure on the already limited availability of land (Nguyen 2008). Data from the Ministry of Natural Resources and Environment indicates that around 4 percent of Vietnam’s total cultivated land has been converted in a period of less than 5 years, from 2001 to 2005 (Dien et al. 2011). On an annual basis, over 70.000 hectares of agricultural land is converted, affecting the lives of over 2 million people (Dien et al. 2011, p.2). With large groups of farmers losing their agricultural land, while having no power to influence decision-making regarding land conversion, land disputes and social unrest are frequently reported. Lam (2006) notes that forcible evictions occur in many areas, where peasants and poor people have to make way for big development projects. Recently, villagers residing in the Van Giang district, close to Hanoi, clashed with more than 2000 police officers when they were protesting against the conversion of 173

acres of land. The villagers accused the authorities of illegal land acquisition and inadequate consultation and compensation schemes (New York Times 2012). Another source reported that the villagers were throwing rocks and bricks to the police who responded by using tear gas and firing warning shots (Voice of America 2012). Over twenty demonstrators were arrested and detained by the Vietnamese police forces (Ibidem).

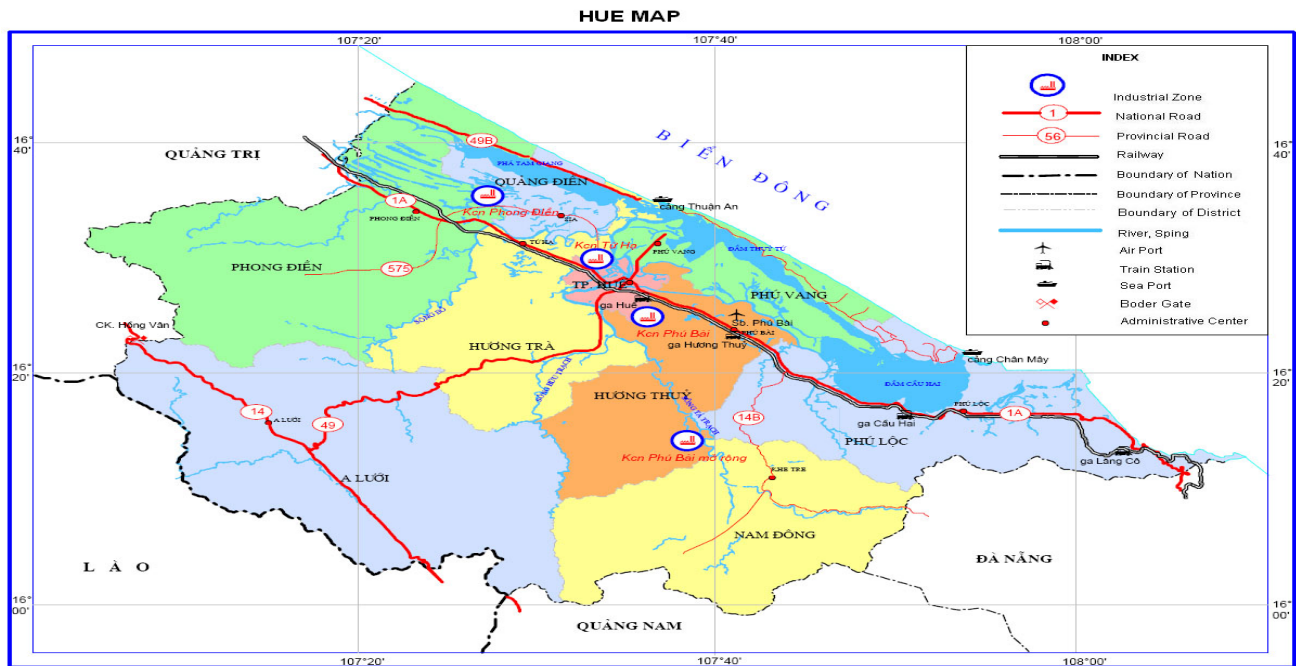
Both legal and illegal land conversion processes are major causes for the growing social unrest and occurrence of land disputes. Compensation schemes are frequently not adhered to and corruption among influential government officials is widespread (Van der Molen and Tuladhar, 2006). As stated by Lam (2006), around 1300 officials have been arrested between 2000 and 2005 in relation to illegal land deals in Vietnam. Whether or not the arrests stopped the actual forced relocation of thousands of people remains unanswered in these cases. The illegal seizure of land for conversion severely threatens the lives of many people. Money made available for compensation is easily captured when corruption is prevalent (Lam 2006). Even though illegal land grabbing forms an enormous threat to sustainable and equitable development, the same goes for numerous legal land acquisitions or land deals at both regional and national levels. Transparency regarding land deals remains dubious in many cases and there is a clear lack of checks and balances in contract negotiations, the actual scale of allocations and compensation schemes (Toulmin et al. 2011). Overall, these developments stimulate the creation of winners and losers in the process of agricultural land conversion which further increases the risk of rising inequality.

The regional context: Thua Thien Hue Province

2.9. Thua Thien Hue Province

The low-lying coastal Thua Thien Hue Province is located in Central Vietnam. Its location near the South China Sea makes the province important in terms of connecting Myanmar, Thailand, Laos and Vietnam under the East-West Economic Corridor to promote development and cooperation between the countries (Cinet 2012). Hue is the provincial capital city. Thua Thien Hue Province's total land area comprises over 5000 km² and features plains, forested mountain areas, hills, rivers, lagoons and rice paddies (Thua Thien Hue Development Report 2010). In general, the weather provides good conditions for agricultural production, especially wet-rice cultivation. The population of Thua Thien Hue Province is almost 1.2 million. The majority lives within 25 km of the coast near Hue (IUCN 2002). Many people are drawn to the urban areas near the coast to seize new opportunities to create a better life for themselves and their families (Nghì 2008; Thua Thien Hue Development Report 2010).

Figure 2.2. Thua Thien Hue Province



(IIV 2012).

Development of the tourist sector alongside industrial growth and urban expansion are resulting in the rapid conversion of agricultural land. In a time span of ten years, 2 percent of the total agricultural land area in Thua Thien Hue Province disappeared (Thua Thien Hue Development Report 2010). More than 13.000 households were directly affected by land conversion and lost all or parts of their agricultural land (Ibidem).

2.10. Hue

Enhanced economic growth rates, foreign direct investment and a booming tourist sector are transforming the lives of the people in and around Hue. Nguyen (2008) argues that the urban transformation of Hue intensified after the city became part of UNESCO's Conservation on the Protection of World Cultural and Natural Heritage list in 1993. Under guideline No.48-KL/TW 25-05-2009, Hue is to become Vietnam's sixth centrally governed city by 2015, thereby a major urban center in the region. In order to make all of this happen, large-scale investments are made in various areas such as education, infrastructure, tourism and industry (Thua Thien Hue Development Report 2010). Construction work and infrastructural development can be found everywhere in and around the city. Dirt roads are replaced by paved roads, large hotel buildings are build and new housing projects are planned or currently under construction. Nevertheless, besides concerns over the environmental impacts of urban expansion and further industrialization, concern is raised about the large areas of agricultural land converted for non-agricultural land use purposes. In the period from 2000 to 2010, almost 5000 hectares of agricultural land (which is equal to 5000 rugby fields) has been converted for the development of urban areas and industrial

expansion (Nguyen 2008). Nguyen (2008) explains that a large part of these areas now belonging to the physical area of Hue were formerly cultivation areas where farmers grew rice. Some of these farmers became marginalized as a result of the policies to seize the land. With a distance of only 5 km between the city center of Hue and Thuy Duong commune, the ongoing developments in and around Hue have an enormous impact on the lives of the people in Thuy Duong. Chapters five, six and seven provide more in-depth information regarding Thuy Duong.

Conclusion

The contextual information provided in this chapter helps establish a better understanding of the factors at the national as well as regional level which influence agricultural land conversion at the local level. History shows that the people of Vietnam suffered suppression from several forces for a long time and spent years fighting wars with other nations to become an independent nation. With the introduction of the reform policies in the mid-1980s, the government entered a new phase in terms of its path to development. The more outward-looking approach taken on by the Vietnamese government is directed towards the promotion of industrialization and urbanization to accommodate socio-economic growth. The goal of the government to turn Vietnam into an industrialized nation by 2020 has the effect that large industrial zones are built to facilitate this process. As a result, demand for land is constantly growing, an already scarce natural resource. The development path pursued by the Vietnamese government will most likely result in even higher rates of agricultural land conversion to accommodate further growth of the industrial sector alongside policies to encourage urbanization. Since emphasis is placed upon the growth potential of intermediate-sized cities and their surrounding areas, the areas and communities close to cities such as Hue are now starting to experience large-scale land conversion projects in order to facilitate the urban expansion of Hue. The planned development projects in Hue further limit the available agricultural land for the farmers in the surrounding communities. What this all means for the livelihoods of those people affected is central for my research in Thuy Duong. To find out how agricultural land conversion influences the lives of the affected people in the selected research area it is necessary to learn more about the local context in which these developments occur. While this chapter provides information on the ongoing trends at the national and provincial level, the local context of Thuy Duong is discussed in chapter five. The next chapter explains how this research is carried out and which research methodology is adopted.

3. Methodological Framework

After exploring the main theories and concepts used in academic debates related to the research topics in chapter one and examining contextual factors in chapter two, this chapter links the previous chapters to the methodological approach. The research objectives are clarified and the research questions defined. Moreover, the methods that are used to carry out the research objectives and to answer the questions posed in this thesis are explained. The main concepts are operationalized and integrated into the conceptual model. The last part of this chapter is devoted to a description of some of the research limitations encountered in the field.

3.1. *Research objectives and questions*

Expropriating agricultural land from farmers for 'national development' takes place in the context of a broader economic and political reform agenda in Vietnam. Ever since the *Doi Moi* policies were implemented in the mid-1980s, the government has seized large plots of agricultural land to spur development. These developments carry several implications for the people partly or fully losing their agricultural land, especially when looking at factors such as poverty, landlessness, the level of political participation and the inadequacy of financial compensation packages. In the midst of these issues, the following research objectives are identified:

- To understand the impact of current urbanization pressures on the livelihoods of the people (households) living in Thuy Duong;
- To explore how the livelihood trajectories of households within the community change due to agricultural land conversion processes;
- To find out how these changes influence the livelihoods of different groups within the community and whether or not similarities and differences can be found at both the individual and household level. For example, women, children, adolescents and the elderly are all affected by the changes to some degree, however, as already pointed out in the previous chapter, certain groups in society may be more affected and less able to adapt than others;
- To explore how social relations at the household level and individual level change due to agricultural land conversion;
- To identify the importance of agricultural activities and landholdings in a peri-urban context.

3.2. *Research questions*

The overarching aim of this thesis is to provide a clear picture of the ways in which agricultural land conversion influences the lives of the people (and their households) losing agricultural land and how they adapt to changing living conditions. In order to do this, the research objectives are translated into one main research question and several subquestions, as listed on the next page.

Leading research question: *In what ways does agricultural land conversion transform the lives of (former) farming households in Thuy Duong?*

Subquestions:

1. What are the main driving forces behind agricultural land conversion in Vietnam?
2. Who are the main actors involved and how do these actors relate to each other?
3. How is land governed in Vietnam?
4. How is agricultural land conversion taking place in Thuy Duong?
5. How does agricultural land conversion affect the livelihood assets of the people losing their land in Thuy Duong?
6. What do these changes mean for livelihood trajectories?
7. What are the differences and similarities between and within social groups in terms of livelihood changes and trajectories?
8. What recommendations can be drawn from the results found?

The first question is based upon the information given in the contextual chapter. Answering this question makes it possible to describe some of the main driving forces behind the conversion of agricultural land. The second question is directly related to questions one and three, as it specifically looks at the different actors involved and how these actors influence agricultural land conversion. The third question was formed to provide an overall picture of the land governance system in place, how this system changed over the past decades and how land governance policies affect the lives of local populations. Land governance forms an important part of this thesis as land policies are closely related to power relations in terms of who owns the land and how people have access to land (Akram-Lodhi 2005; Macaulay et al. 2006; Dien et. al 2011). Here the link with the first two questions is found very easily; those who own the land decide who has access to land. Since actors regularly have diverging interests, clashes between the different actors might lead to winners and losers. To answer questions one to three, information obtained from the literature and policy documents are used. The other questions are answered with information obtained during the actual fieldwork including the information received from the respondents as well as policy documents and commune reports provided by the local authorities. Question four delves more deeply into agricultural land conversion in Thuy Duong by looking at how agricultural land conversion takes place in Thuy Duong in terms of the amount of land converted, the number of affected households, the rules and procedures and compensation packages.

The remaining questions are directed towards assessing livelihood changes and what these changes mean for the well-being of the people and households affected by land conversion. In order to do this, I first go into the assets people possess and how these asset holdings change, and to what degree these changes happen as a result of agricultural land conversion. The next step involves the examination of the

livelihood trajectories taken on by the respondents and why they did so. It might well be the case that people do not intend to seek a certain livelihood trajectory but are simply forced to. Question seven relates to possible social differentiation mechanisms and how these mechanisms influence livelihoods and livelihood trajectories in the context of agricultural land conversion. The final question puts the research findings in a broader perspective to discuss important issues that need to be taken into account by the actors involved in agricultural land conversion. Moreover, the formulation of policy recommendations identifies ways to improve existing land governance policies and to improve support for those who are highly affected by agricultural land conversion.

3.3. Data collection

In order to answer the questions posed in this thesis, I used both quantitative and qualitative methods to collect data. Articles, official government documents and local reports were gathered from various sources to explore the main features of the research region and other contextual issues. These included data on past and present land tenure governance, local governance issues, demographic factors and land use changes. Before compiling the main questions to be asked to the respondents, interviews were held with key members of the commune and local government officials to gather specific information about the commune and other information relevant for my research topic. The actual fieldwork took place from February to May 2012 and included regular field visits, semi-structured interviews, a focus group discussion and the mapping of relevant actors and their level of influence.

The quantitative research component was used to obtain a general picture of the demographic composition of the people living in Thuy Duong and their living conditions (occupations, income, educational level, household size, level of land conversion). The list of questions was pre-tested with three respondents. Over the course of the data collection, minor revisions were made. The qualitative component in this research focused upon the deeper underlying reasons and motivations for adopting particular livelihood strategies and leaving out others. Through interviews it became possible to attain more information on these issues and the interviewees were given the possibility to tell their life stories. During the initial phase of my research I noticed that it was difficult to obtain quantitative data since people often did not remember specific numbers. Moreover, it was more useful to carry out in-depth interviews to find out how exactly the lives of the people changed before and after agricultural land conversion to learn more about their emotions and the specific decisions they made to improve their lives and to adapt to changing living circumstances. During the interviews, I worked closely with my interpreters to understand the answers given and to ask for clarification when needed. We both made notes and after the interviews I sat down with my interpreter to check the gathered information. Interview transcripts were made on a regular basis and I incorporated the more quantitative data in Excel. SPSS was not used due to the emphasis placed upon qualitative research and gaining an understanding of the underlying reasons and motivations of how and why people opt for certain livelihood trajectories. It was not my intention to

use the information found within the selected sample to make generalized statements about a larger population. Although I was able to record some of the interviews, the majority of respondents wished to conduct the interview without the use of a voice recorder.

3.3.1. Semi-structured interviews

The use of unstructured interviews and life histories gave the people interviewed 'a voice' to tell their personal stories. The interviews were conducted in such a way that interaction between the respondent, interviewee and interpreter prevented a rather one-way flow of communication. In those situations where the answers given were very general, the use of qualitative research methods helped to go beyond general statements to look for more specific answers. In total, 45 interviews were carried out. While the initial plan was to interview several members within a household to look at intra-household differences, this was very difficult to carry out in practice. The head of the household was usually the person who was interviewed, together with his wife or sometimes accompanied by his children. While households are composed of individuals whose interests and preferences might differ, families still tend to operate as units. This makes it impossible to fully grasp individual behavior without taking the household as a whole into account (Rigg 2001, p.49). Although social changes are unfolding, family concerns still play an important role in Thuy Duong and it is still common to find households where several generations live together. The traditional gender division made it difficult to interview women, let alone interview them without the presence of their husbands.

3.3.2. Life history research

Life history research was introduced as a research method to capture the relationship between agricultural land conversion and people's livelihoods in order to find out the level of influence of agricultural land conversion on the lives of the people. This offered a way to better understand the trajectories of change taking place and how people's livelihoods changed over time. Translation issues and people's memories were however the main obstacles for the attainment of life histories. Answers given remained very general; people were often not able to recall the exact timeframes when their lives changed or they described that even though they changed jobs, their lives did not change that much over the years.

3.3.3. Focus group discussion

Over the course of my fieldwork, two focus group discussions were scheduled to collect information about the way people living in Thuy Duong perceive the importance of farming for their lives and to gain more knowledge about farming and non-farming activities in the agricultural and non-agricultural sector. Moreover, this gave me the opportunity to learn more about the differences in opinions on the importance of the agricultural sector, personal experiences regarding livelihood changes and why certain pathways are favored above others. Focus group discussions give people the chance to be active agents in

research where they can interact with each other, share opinions and discuss the topics posed during the discussion (Desai and Potter 2006). Two interpreters were present when the focus group discussion took place in order to gather as much information as possible. During the focus group discussion people were asked to rank the villages most and least affected by urban expansion and land conversion practices. The participants were asked to explain why they made certain choices. The same was done to indicate the most and least secure jobs sought, before and after agricultural land conversion. Other topics included the importance of farming cooperatives, how people have access to information and learn about new techniques in agriculture and how they learn about new job opportunities in the different sectors. The participants were asked to talk about the main social issues people living inside Thuy Duong face because of the higher living standards and their experiences with political participation in relation to governmental decision-making at the local level. During the last part of the focus group discussion, the villagers were asked to think about a local development plan and what it should entail.

The first focus group discussion was not successful as the people invited were not present or unable to join. Unfortunately, they communicated this at the last moment when one of my translators visited the houses of the people invited. For the second group discussion there were only two people present during the first 30 minutes. My translator again visited the houses of the other people and two more people attended. Unfortunately, only males above the age of 50 who were all still involved in wet-rice cultivation were present. It would have been very interesting to discuss the above-mentioned topics with a more diverse audience. Nevertheless, the focus group discussion was valuable to collect data on the value of agricultural activities, the major changes for farmers since the beginning of the de-collectivization period, and their views on urban expansion, changing social preferences of the youth and job security.

3.4. Concepts and measurement

Without clear definitions of the key concepts used to answer the research questions, it is impossible to operationalize them into measurable variables (Babbie 2010). As indicated in chapter two, the sustainable livelihoods framework is adopted as the research approach due to its focus upon people-centered development, empowerment of the poor through participation, access to assets and a strong focus on opportunities rather than on needs. The sustainable livelihoods framework moreover provides a way to indicate the constraints and possibilities (poor) people face to improve their livelihoods and the multiple ways in which people deal with their surroundings (Gough et al. 2010, p.14). The focus on how people's livelihoods change over time and how someone's position and capacities to act within a certain household but also within a community are influenced by contextual factors form important features in livelihoods research. The key concepts are explained below:

Agricultural land conversion: The process by which land used for agricultural activities is converted for other land use purposes, including urban expansion, infrastructural development and industrialization

(Nguyen 2008; Dien 2011). The households affected by land conversion in Thuy Duong were divided into three groups according to the level of agricultural land conversion. This selection was made to look at possible differences in compensation rates, dependence upon agricultural activities, capital assets and the adopted livelihood trajectories. The levels of agricultural land conversion were based upon an initial classification made by Nguyen (2008) and the data as provided by the local government authorities. From each group, respondents were selected with the random sampling method (Babbie 2010). Group one refers to the group with low levels of agricultural land conversion, group two to middle-level agricultural land conversion and group three is characterized as the group of people who are faced with high-level agricultural land conversion.

Group 1: less than 40 percent of agricultural land lost due to land conversion

Group 2: between 40 percent and 80 percent of agricultural land lost due to land conversion

Group 3: between 80 percent and 100 percent of agricultural land lost due to land conversion

Land tenure system: The governing principles in place with respect to land. It is an extremely important variable as the rules of tenure define the allocation of property rights to land and these rules determine “who can use what resources for how long and under what conditions” (FAO 2012, p.1).

Livelihood capitals: The asset base used by people to construct their livelihoods and follow certain livelihood trajectories. The livelihood capitals investigated include *natural capital* (access to environmental resources), *human capital* (access to education, training, skills and quality of health), *social capital* (access to social resources), *political capital* (access to power and ability to influence decision-making), *financial capital* (access to financial resources) and *physical capital* (access to infrastructure). These elements were all part of the questions asked to the respondents during the interviews and a range of standardized questions was used to measure the asset holding (see appendix)

Livelihood diversification: Diversification is widely understood as the combination of farming and non-farming activities pursued by individuals and household units to improve their livelihoods (Ellis 2000; Rigg 2001). Whereas agricultural activities include both on-farm and off-farm activities, I have chosen to focus on livelihood diversification across different sectors (agricultural -, industrial – and services sector) to look at the importance of the agricultural sector in comparison to the other sectors in the context of agricultural land conversion and diversified livelihood trajectories.

Livelihood trajectories: A term used to describe and explain the “direction and pattern of livelihoods of individuals or groups of people”, and their embeddedness “in a historical repertoire, in social differentiation and in perceptions of risk” (de Haan and Zoomers 2005, p.45). Livelihood trajectories involve agricultural intensification, diversification of livelihoods and the shift to non-farm trajectories (Barrett 2001; Dien 2011). As explained by Barrett et al. (2001, p.5), the difficulty can be found in

identifying “the dynamics of change and directions of causality”; for example are changing livelihood trajectories leading to increased urbanization or is urbanization the determining factor in livelihood trajectory changes? The livelihood trajectories chosen are classified in terms of various strategies, including accumulative, adaptive, coping and ultimate survival strategies. These are explained further in chapter seven. According to de Haan and Zoomers (2005), the boundaries between the different categorizations are not fixed and households may pursue several strategies at the same time or across different time periods. The position of households in terms of their poverty levels and the access to the different capitals influences the adopted trajectories. By using the categorization outlined in this paragraph, I can assess how livelihoods have changed over time, and whether or not livelihoods have become more sustainable and secure (upward mobility) or more vulnerable (downward mobility).

Social differentiation: Differential access to the six assets and taking on diverse livelihood trajectories carry the potential of increasing social differentiation between social groups and individuals. Demographic features, including one’s age and gender are ultimately linked to the opportunities and risks faced in the construction of livelihood trajectories. Certain groups within society might be more vulnerable to the events described in the vulnerability context or heavily influenced by institutions at the local level due to for instance their financial and social assets. To measure this, attention is drawn to the differences between the three identified age groups (up to 35, 35-55 and above 55) in terms of access to new opportunities, the underlying causes for their vulnerability and how agricultural land conversion has strengthened or weakened their social differentiation. Another distinction is made between the youth (up to 30 years of age), women and elderly. The gender division in society is an important indicator. Due to existing gender relations, women may feel constrained to increase their livelihood trajectories or heavily burdened when they have to take care of many tasks. A closer look is taken at the type of activities carried out by both women and men to get a better understanding of possible social differentiation mechanisms at play along gender lines. The same is done for the other two social groups, the young adults and the elderly. In chapter six, more attention is given to the importance of human capital for the construction of livelihoods and for the adaptation to changing living circumstances after agricultural land conversion.

Households have been grouped according to their status as a poor (monthly income up to 3 million VND/month), middle (monthly income between 3-5 million VND/month), or rich household (monthly income above 5 million VND/month).

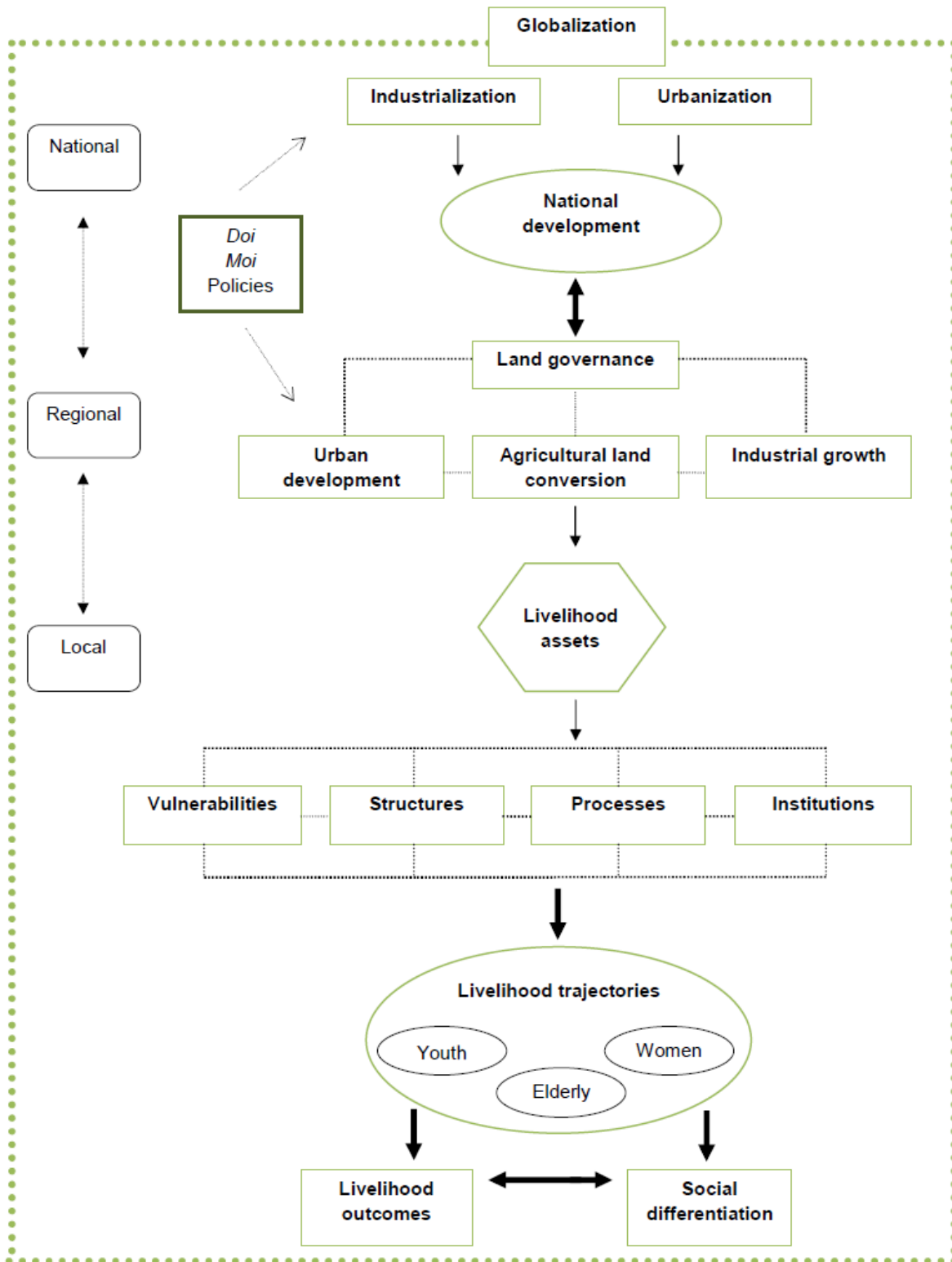
3.5. Conceptual model

The conceptual model provides a visual representation of the conceptual framework guiding this research. Besides the theoretical constructs (the sustainable livelihoods framework including the livelihood assets, livelihood trajectories and livelihood outcomes), the variables of interests are shown in the model. At the global level, globalization is leading to a time and space compression between countries, the integration of various countries including Vietnam into the world economy (Taylor and Bending 2009; Dien 2011). Due to the integration into the world economy, Vietnam has been able to grow economically and attract foreign direct investments. The government furthermore stresses the need for further integration and the need to attract 'high quality' foreign investments to promote sustainable economic growth (Nhan Dan Online 2012). Industrialization and urbanization are two key forces in the development process of Vietnam, both are highly interlinked with globalization. As already explained in the previous chapter, the integration of Vietnam into the global economy is leading to industrial and urban growth. As Vietnam becomes more integrated into the world economy, industrial activities are very likely to increase, alongside the urbanization trends witnessed in Vietnam. People are drawn to major cities to look for new and improved employment opportunities, to study or to obtain specialist health care (Potter et al 2008, p.332). With industrial growth, urban centers in former towns or small cities are build up to cater for the development of both the industrial and services sector and to create a living environment where people have access to the services they need. When more and more people find work in the industrial sector, more opportunities arise for the services sector as well. This will also result in urban growth, an increase in the number of people who live in these towns and cities.

In chapter two, the *Doi Moi* policies were introduced. Under these policies, new rules were implemented regarding the governance of land, another important variable. The land tenure system in place in Vietnam strongly influences the rate of land conversion and the impacts of land conversion processes on the lives of those affected. Land conversion and the land tenure system influence the livelihood assets available as well as the trajectories chosen and eventual outcomes. For instance, policies of the state regarding compensation schemes, training programs and the creation of new employment opportunities all influence the chances of the people affected by land conversion to sustain and improve their livelihoods. In order to promote industrialization and urbanization, agricultural land conversion is rising across the whole country. These three factors are key in the changes in livelihood assets of local populations. The livelihood assets are central within the model as the different assets will be used to measure the impacts of agricultural land conversion on the livelihood trajectories taken on. The livelihood assets are further influenced by the vulnerability context (shocks and stresses), the structures, institutions and processes at place in society. These concepts carry the possibility to transform the livelihood assets people possess and the livelihood trajectories they take on. The conceptual model also indicates the three different social groups that will be researched to look at intra-household differences. The livelihood trajectories together with the differences found among the youth, women and elderly result in actual livelihood outcomes and

(possible) social differentiation within or between households and individuals.

Figure 3.1. Conceptual model



3.6. Limitations of research

The main critiques on the sustainable livelihoods framework have been mentioned in the theoretical framework. This section describes the problems encountered while carrying out the research activities. Acknowledging the presence of research limitations helps one to reflect upon the choices made during the preparation phase and the actual fieldwork and helps to identify possible unanswered or unaddressed questions that could be addressed in future research (Desai and Potter 2006). Moreover, doing research on a specific subject matter is always a subjective enterprise, from the visualization of a research problem through the selected research methods and the identification of certain relationships between different variables. This makes it important to take a step back and consider how to improve the research design which I did so both during the preparation phase and during the field work. As a researcher, one should always have respect for the personal values of the people being researched and limit the possibility of (personal) bias. During the interviews, several people and especially children came to have a look or sat down to listen to the interview. The elderly would supplement the answers or tell you their experiences from time to time. This adds to the possibility of biased information. However, I found that interviewing people in private might create suspicion and decrease the level of trust. You may even offend people, one of the worst things you can do according to my translators, especially when you are being invited to someone's home. It was further considered impolite to openly criticize or question the answers given by the respondent which made it difficult from time to time to get more detailed answers to some questions.

3.6.1. Working with the government

The research was undertaken in a foreign country with a language unfamiliar to me and a country known for its bureaucratic procedures. This made the start of my period in Hue a rocky one. I had to rely upon others to get all the permits necessary to do research in Thuy Duong. Going from lower levels of government at the town level to the province level and back to get all the documents was a time-consuming process. As a researcher you have to reserve enough time for these procedural aspects. Moreover, the local government officials asked for detailed time schedules and research objectives that were sometimes, especially in the beginning, hard to provide. After having presented these, changes in the schedules were met with resistance or suspicion. It was very difficult to obtain information from the chairman of the commune about sensitive issues such as the adequacy of compensation schemes and the influence of local people on decision-making processes of the government at the different governmental levels. Government officials tend to give rather general answers and tell you that there are no problems whatsoever to avoid talking about sensitive issues. In general, asking questions regarding controversial issues was difficult and tricky at times.

3.6.2. Generalizability of results

This study was conducted in a short period of time which limits the generalizability of the results found. While my stay in Hue covered a period of 13 weeks, the fieldwork took place between the second half of March until the end of April 2012. In order to paint a better picture of the local village, interviews were held with the local headman of the village, secondary data was used to get contextual information and I talked to people living in both Hue and Thuy Duong. In the initial stage of my research, these interviews and collected data were very helpful as they gave me a general overview of the composition of the population within the village, income distribution, the main livelihood activities and agricultural land conversion.

3.6.3. Translation issues

Working with interpreters posed another challenge. Important information is easily filtered out and the personal values of the interpreter about how and what to translate could lead to biased information. Moreover, when choosing a interpreter, attention should be paid towards possible social dynamics between the researcher, interpreter and respondents as highlighted by Desai and Potter (2006). In my case, at first I was appointed a interpreter and guide by the university. I worked with three other interpreters, female and male who already had experience with foreign students doing research on agricultural- and development-related issues. To prevent miscommunication and a misunderstanding of the questions by not only the interpreter and the interviewees, as well as the misinterpretation of the data by myself, I explained my research topic, objectives and questions to be asked during the interviews in a very detailed manner and discussed these with my interpreters before, during and after the interviews. This made it possible for me to ask clarifications whenever the answers given were not clear to me. Unfortunately, the level of English was generally low and I encountered several situations where the translations provided were very general or incorrect after double-checking them with the information I noted down during the interview or after having double checked the translations. The interpreters tended to get tired quickly and regularly forgot to ask several questions of the topic list, even when they were directly working with the topic list.

3.6.4. Uncertainties

Drivers of current land conversion practices, such as high economic growth rates, urbanization and increasing linkages between rural and urban areas in the selected research area have several effects upon the livelihoods of the people living in Thuy Doung. The results found demonstrate that the consequences of land conversion are very broad and complex which makes it difficult to grasp all relevant factors that may contribute to the living conditions of the local villagers in a single study and within the time frame in which this study was undertaken. Moreover, Martine et al. (2008) report the occurrence of uncertainties, especially regarding the understanding of urban transitions, rural-urban linkages, the variety of local conditions and changes over time. While I tried to record the changes over time in terms of people's livelihood trajectories, many people could not recall the exact years or points in their lives when

their lives changed drastically. In spite of the above-mentioned limitations, the strength of this study lies in its focus upon the experiences of local people regarding agricultural land conversion and changing living circumstances. The information gathered at the household unit made it possible to look at intra-household differences and how the interests and preferences of the three identified social groups, as well as the interests and preferences of the different age groups differ from one another.

3.7. Academic and practical relevance

After having read relevant literature on the growth policies promoted by the government, livelihoods and agricultural land conversion in Vietnam, there is a considerable knowledge gap regarding the consequences of rapid urbanization and agricultural land conversion for urban expansion in some regions. Numerous case studies can be found on the consequences of agricultural land conversion on the livelihoods of the farmers living in areas close to Hanoi and Ho Chi Minh City. Case studies looking at the intermediate-sized cities such as Hue remain very limited up until this point. However, intermediate-sized cities will become increasingly important in the coming years as these cities are seen as new growth areas where opportunities for development are still present and where the challenges are not as extensive as in the biggest cities (UNFPA 2007; Martine et al. 2008). Under the urban development plan put forward by the Ministry of Construction in Vietnam, the promotion of urban growth in intermediate-sized cities is strongly encouraged as a way to slow down the further growth of big cities and to push economic development across different regions (Webster 2004; Nghi 2008). Hue, close to Thuy Duong, is to become a leading urban and industrial zone, deeply integrated in the national as well as international economy by 2020 (VCCI 2011). Therefore, the developments in and around Hue form a very interesting case study to look at livelihood changes. Another factor often neglected in the existing literature on agricultural land conversion and changing livelihoods in Vietnam, is linked to the differences within and between social groups in terms of their access to different assets. People take on different livelihood trajectories and their decisions are influenced by for instance someone's age, gender, working or educational skills. With gender inequalities still in place, the socio-economic burdens of the consequences of agricultural land conversion might fall more heavily on the shoulders of women than men. It is important to better understand these differences and see how important agricultural activities are for the social groups to be able to identify what is going on and what kind of policy implications the existing differences might have. This research thus contributes to the academic literature on for instance urban growth, rural-urban linkages, agricultural land conversion and sustainable livelihoods.

3.8. Research Area

Thuy Duong was selected as a research site due to several features of the commune. First and foremost, it is a peri-urban commune where the effects of industrialization, urbanization and agricultural land conversion are all present and responsible for changing physical and livelihood changes. Additionally, with many advantageous conditions to develop both the agricultural sector and the industrial sector and

good access to Hue, on paper it should be relatively easy for the people affected by agricultural land conversion to adapt to their new situation. The selection of this area will help to explore the ways in which farming households are able to benefit from the above mentioned features and whether or not agricultural land conversion is leading to improved opportunities or new vulnerabilities. The following chapter introduces Thuy Duong in more detail.

Conclusion

This chapter provided a detailed description of the chosen research methods to collect all the data necessary to answer the formulated research objectives and research questions. I chose for qualitative research methods in order to get a better understanding of the impact of current urbanization trends in the research area and the impact of agricultural land conversion on the livelihoods of the people affected by land conversion. Considering the research objectives and the research questions, especially the emphasis placed upon livelihood changes among different social groups, livelihood research provides the tools to expose the underlying causes of these differences. Life history research and focus group discussions are planned to find out to what degree livelihoods have changed as a result of agricultural land conversion. Even though several methods are used to collect data, one always has to reflect upon the data collection methods and the pros and cons of the used methods. Doing research in a developing country, a country where you are not familiar with the culture, language and customs is a difficult undertaking which makes it essential to look at possible data limitations. Although there are problems when conducting research in a challenging environment, there are also positive sides. By visiting the research area on a regular basis and talking to the people we learn more about the stories from the local people, what they see as the most positive and negative societal trends, and how their lives are affected by agricultural land conversion on a daily basis.

4. The governance of land in Vietnam

The ways in which land is used and governed has deep and long-lasting effects upon the social, political, cultural, spiritual and economic spheres of life (Macaulay et al. 2006). Land policy is a crucial element for economic development, particularly in developing countries such as Vietnam (Macaulay et al. 2006; Han and Vu 2008). The governance of land changed several times over the past couple of decades with long-term consequences for the lives of many households. Vietnam is a country where land has always been tremendously important, particularly for the large group of farmers relying upon agricultural land for their income and basic subsistence needs. Protests over land governance issues are more and more common in several parts of the country as already shown in the previous chapters of this thesis. This chapter provides a detailed overview of the land governance system in place in Vietnam, the changes over the years. Moreover it looks at the consequences of the land policies for the people affected by these policies.

4.1. Colonial land ownership and redistributive policies

Before independence, large plots of agricultural land were owned by powerful landowners, both of French and Vietnamese origin while tenants worked on the land of the landowners. The majority of agricultural land was in private hands which made it particularly difficult for farming households to own land, or to work on the land of others (Dung 1995; Dien 2011). The French colonial government promoted the confiscation of communal land to turn the land into private land (Dien 2011). Over 50 percent of farming households became landless while more than half the land was owned by the powerful landlords. The landlords only made up 2 percent of the total population (Macaulay et al. 2006, p.15). Kerkvliet (2006) notes that rural unrest over land use rights and ownership rights were always present in the colonial period. Governance issues related to land were directly associated with the war for independence. After independence, Vietnam was split into North and South Vietnam. Policies to redistribute land were launched in the North. Land was nationalized on a wide scale in the Northern part of Vietnam, and around 25 percent of the land was equally redistributed to the farmers in the region (Dien 2011; Kerkvliet 2006). To redistribute land on an equal scale, households were divided into different groups depending upon their position as very poor peasants, poor peasants, middle-class peasants and rich peasants (see table 4.1). The governance of land clearly shifted from wealthier groups to poor, and very poor peasants. Land was taken away by those who owned most of it and given to those who owned only small plots of agricultural land. While the richer and middle-class farmers owned the largest part of agricultural land before redistribution, land holdings among the landlords decreased significantly. In contrast, land holdings among the poor and very poor farmers increased considerably. General output from rice cultivation increased, people were able to grow their own rice, and live better lives compared to the period under French colonial rule as described by Jamal and Jansen (2000, p.2). Meanwhile, the government in the South implemented land policies accentuating private property rights and individual freedom regarding

land use. Instead of redistributing the land, agricultural land was returned to the powerful landowners without taking the already difficult living conditions of villagers into account (Jamal and Jansen 2000; Macaulay et al. 2006). Land redistribution programs in the South did not commence until the early 1970s and were completed just before the reunification of the two separated regions in the mid-1970s. (Macaulay et al. 2006).

Table 4.1. Land ownership in Northern Vietnam before and after land redistribution

Owner	Before (m2)	After (m2)
Landlord	10.980	730
Rich peasant	4.200	1.720
Middle-class peasant	1.450	1.710
Poor peasant	472	1.390
Very poor peasant	112	1.370

(Dien 2011, p.71)

4.2. *The pooling of resources under collectivization*

Regardless of the success of the land redistribution program in the North, agricultural collectivization was implemented in the 1960s in the North, and in the South after reunification in 1975 (Macaulay, Marsh and Van Hung 2006). Agricultural production was carried out through collective farming. Farmers worked together under state-created cooperatives. Membership was tied to access to food and employment (Raymond 2008). The process was differentiated between low-level and high-level cooperatives. Under low-level cooperatives farmers remained the owners of their land. Under high-level cooperatives no partial individual ownership was allowed. Agricultural land and production assets were fully pooled together. According to Nguyen (2008), over 90 percent of the farming households in Northern Vietnam were part of one of the 4151 cooperatives. Numbers in Southern Vietnam strongly differed. At the end of the 1970s, 272 cooperatives existed, with approximately 25 percent of the rural households in the South belonging to one of these cooperatives (Kerkvliet 2006; Nguyen 2008). According to important government leaders, collective farming would result in more agricultural productivity, improved irrigation systems, community cohesion and increased social capital (Kerkvliet 2006). Furthermore, collectivization of farming activities was strongly linked to the economic policies pursued in other communist countries. Both China and the USSR implemented policies based upon Marxist economic theory. The main argument was that a shift towards large agricultural cooperatives would not only result in more efficient use of agricultural land, but cooperatives would also result in more equality, rather than the increased differentiation witnessed under capitalist development (Dien 2011). Farmers received (agricultural) products based upon the amount of working points they earned. A large part of all farming households fell

under the cooperatives, especially in the North. Nevertheless, significant percentages of households' incomes were generated outside the land under use by the cooperative, through non-farm activities, as explained by Marsh et al. (2006). Families were only given a small plot of land for personal subsistence farming, which they often used for producing collective crops. Remarkably, yields were substantially higher on the personal plots of land than the level of production reached under the cooperatives (Ibidem). Collectivization in the South met with severe resistance from the farmers who had produced on a family farms since the Southern land reforms. Nguyen (2008) notes that high-level cooperatives were never installed in the South. Farmers acted on a personal basis, contrary to the policies put in place under the collectivization program (Ibidem). Collectivization started to collapse when productivity fell sharply as a consequence of inadequate investments in the agricultural sector. The policies of the central government were biased in favor of promoting the development of industrialization and urbanization as highlighted by Akram-Lodhi (2005). Additionally, many parts of the country were heavily bombed during the American War, and large plots of agricultural land could no longer be used for farming activities.

4.3. The shift towards decollectivization

Although the negative sides of collectivization were already recognized in the 1960s, agricultural cooperatives were discarded almost two decades later with Directive No. 100 from the CPV, also known as *Khoan 100* (Contract 100) (Kirk and Tuan 2009, p.4). The cooperatives were not fully abandoned. Outputs were controlled, and leaders of the cooperatives continued to manage the land, a task assigned to them by the central government. However, individuals were granted land for agricultural cultivation and received payments based on the amount of output generated, and invested labor input (Macaulay et al. 2006; Kirk and Tuan 2009). In addition, output levels were sold to the central government at a fixed rate and quota, farmers could keep or sell output levels going beyond this amount (Macaulay et al. 2006). After an increase of over 6 percent in agricultural production from 1981 to 1985, output levels declined to 2 percent in 1986 up to 1988. This situation resulted in a food crisis. Reasons for the decline in output levels included a) a lack of confidence between members of the cooperatives, b) declining input and c) deteriorated living conditions (Nguyen 2008). The already growing resistance to collective farming increased even more due to the widespread corruption by local officials in charge of the cooperatives (Macaulay et al. 2006; Nguyen 2008). Problems further aggravated when food aid from China, the USSR and other donor countries significantly declined in the post-war period. At that time, Vietnam was also involved in border conflicts with China and Cambodia (Ibidem). Large sums of the national budget went to the army at the expense of socio-economic development.

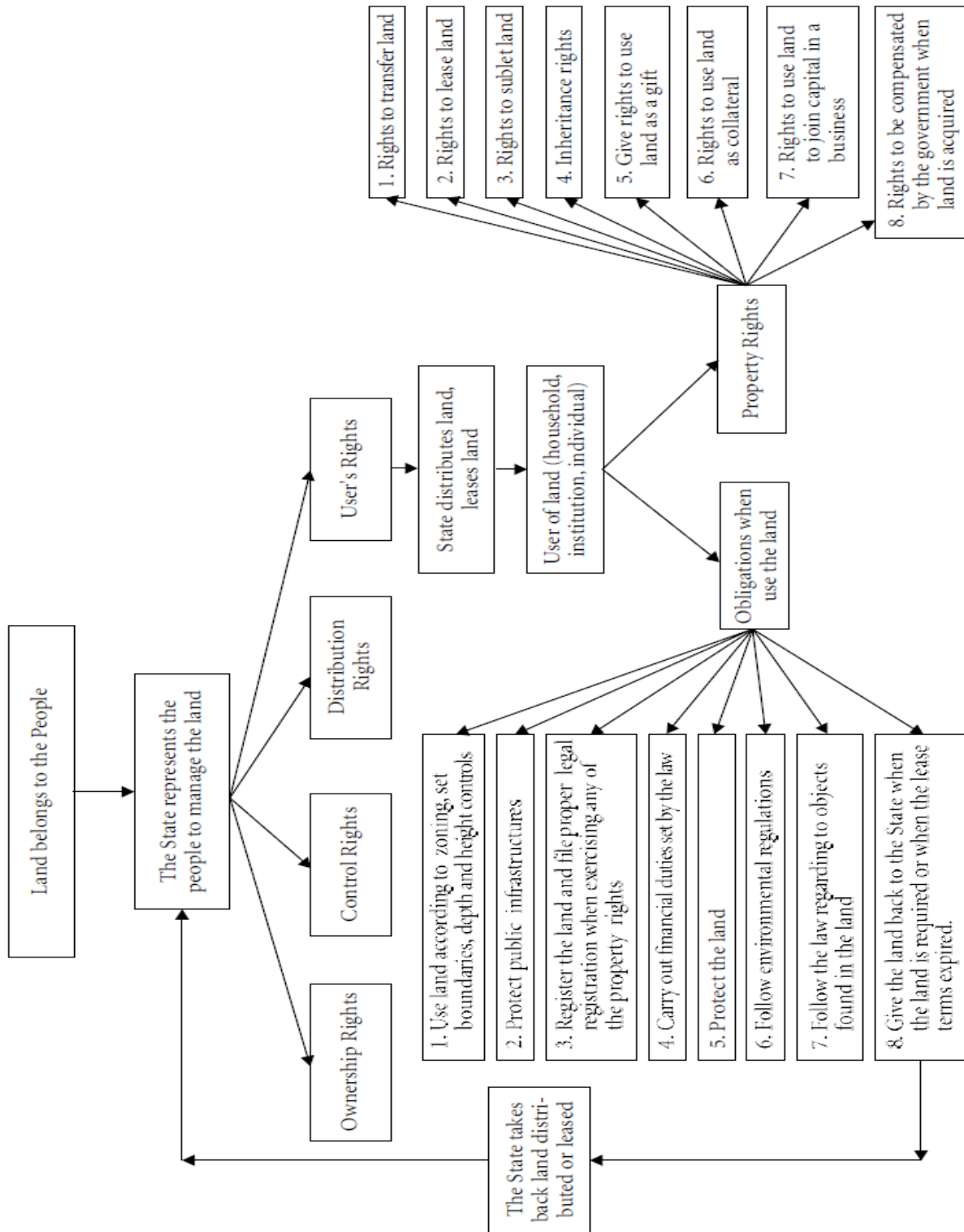
The partial abandonment of collective farming, and the shift towards family farming was strongly influenced by everyday practices of the farmers. According to Macaulay et al. (2006) and Nguyen (2008), the government's efforts to change farmers' everyday practices were ineffective. Consequently, the already declining success of collective farming was further reduced through non-violent, bottom-up

resistance by the farmers, that could hardly be ignored by the government according to Kerkvliet (2006, p.291). The era of agricultural collectivization ended and was replaced by decollectivization. The decollectivization period began with the establishment of the farming households as the “basic economic unit” (Kerkvliet 2006; Kirk and Tuan 2009). Land for annual crops (crops that live for only one growing season) was allocated to these units for a period lasting from 10 to 15 years. Land for perennial crops (crops that live for more than two years) for a period up to 40 years (Kirk and Tuan 2009). Although land allocation was carried out in different ways in Vietnamese villages, the most fundamental criteria used for land allocation was family size. Farming households were now partially free to choose what they wanted to do with their assets related to land, such as animal stock as well as equipment used to work the land. Land holders were not officially authorized to transfer their land, nor the assets given to them by the government (Kerkvliet 2006; Macaulay et al. 2006). In reaction to the aspirations of farming households to legally buy, sell or lease land use rights, new policies were drafted to approve a gradual shift towards (free) markets for land where land use rights could be traded (Kerkvliet 2006). Big international donors such as the World Bank and the International Monetary Fund (IMF) influenced the implementation of these new policies to create economic efficiency and to promote overall economic growth (Ibidem).

4.4. The 1993-2003 Land Laws

Under the 1993 Land Law, individual land users are allowed to sell, transfer, exchange or mortgage their land to other users during the time of the initial lease (Nguyen 2008). Notably, no specific attention is given to communes or cooperatives. Decision-making power relating to land use is assigned to political committees at the district and city level. Land is allocated for a period of 20 years for annual crops and aquaculture. Land used for perennial crops is allocated for a maximum of 50 years. In both cases there is a possibility to renew the lease period if the government decides to do so (Macaulay et al. 2006). Macaulay et al. (2006, p.18) state that the newly designed Land Law put in place restrictions regarding the land areas used for annual crops (2 hectares in the North, 3 hectares in the South) and for perennial crops (10 hectares for flat fields, 30 hectares for midland and mountainous areas). Do and Iyer (2007) reveal that around 11 million land titles were provided to farming households by 2000, “making this one of the largest rural titling programs in the developing world, not only in scale but also in speed of implementation” (p.2). Over time, several amendments were made to the initial Land Law of 1993. The main amendments are linked to the further liberalization of land, the promotion of land markets and the commoditization of land (Kerkvliet 2006; Macaulay et al. 2006). Figure 4.1. shows the land governance system put in place under Land Law 2003. In line with macro-economic thinking promoted by well-known and influential (financial) international institutions such as the World Bank, the distribution of land use rights creates an encouraging environment for the establishment of land markets where it is argued that economic efficiency can be achieved (Do and Iyer 2007).

Figure 4.1. Land governance system according to Land Law 2003



(Han and Vu 2008, p.1104).

The *Doi Moi* policies, and the related 1993, and 2003, Land Law reforms indicate the government's desire to shift from a centralized economy to a market-oriented economy where these land use rights can be transferred, exchanged, leased, inherited and mortgaged by its holders. Communal land use rights have been recognized by the government to a certain extent according to Van Suu (2008). Yet, the government is putting pressure on the communal land users to give up their land in order to turn these communal land use rights into individual land use rights. Following the lines of argument by Van Suu (2008), these developments lead to the further commoditization of land at the expense of the local populations making use of communal lands. Consequently, tension and conflicts between the state and (communal) land users is growing.

By 2013, the land use rights granted under the 1993, and 2003 Land Laws will expire in the case of annual crops (Macaulay et al. 2006). The government will then decide if the land will be reallocated or not. After expiry, the land use rights awarded can be renewed when those using the land have a need to continue using the land under the condition that they have not violated the rules regarding land use (Macaulay 2006, p.228). In March 2012, chairman of the Government's Office, Vu Duc Dam, stated that, "the government clearly understands the significance of land to Vietnamese people. Therefore, though the Land Law is under review, the guideline is not revoking and reallocating land" (Nga 2012). In the upcoming year, people in Vietnam holding land use rights will find out if they are able to keep their land use rights. This means that people are entitled to use the land for a limited period only, with reservations on what they can do with the land. They are not permitted to own it. In addition, the government can decide to take land away and lease it to other actors, if the government wishes to do so. When land is taken from land users for national development purposes, compensation schemes should be adequate and help to support the affected households in adapting to new living circumstances. Promised compensation packages are based on the amount of land only and do not include related costs.

Liberalization of the land market may also deepen the influence of (foreign) private investors who have large sums of money to buy land from the government. There is a strong desire to attract more foreign direct investment, and to modernize the economy. At the same time the government has the responsibility to serve its own people alongside (foreign) investors and other business actors. However, the country's reliance upon loans from the World Bank furthermore influences the policies in relation to the overall liberalization of the economy, including the establishment of a fully functioning, free market in land use rights (Ravallion and van de Walle 2006). To give an example; since 1993, Vietnam has received over 7 billion US dollars from the IMF and the World Bank in grants and low-interest loans to support the transition to a market-economy (Business Week 2011). Moreover, in 2012 alone, 1.1 billion US dollars in loans to Vietnam were approved by the World Bank (World Bank 2012b).

Conclusion

This chapter has given an overview of the rules, processes and structures related to land governance and the changes made to the architectural characteristics of the land governance system in place. Land use policies have always been important in Vietnam as land provides the foundation for socio-economic development including food security, access to natural resources and poverty alleviation opportunities. Under French colonial rule, agricultural land was divided into communal and private land. After Vietnam gained independence from France, land redistribution among farmers was initiated and collectivization was installed which lasted until the late 1970s. Collectivization was followed by decollectivization and a shift towards new land reform policies in the mid-1980s and early 1990s. At present, more emphasis is put on establishing a land market where land users can sell, transfer, exchange or mortgage their land to others. A large percentage of the Vietnamese population still heavily depends upon the use of land for agricultural purposes even though these numbers are decreasing. The long-term development of the agricultural sector and broader socio-economic outcomes are closely linked to the ways in which land is used and how ownership rights are defined. While further liberalization might increase economic growth, attention needs to be paid to the possible consequences for the already vulnerable people losing agricultural land.

Some of the most pressing issues in relation to the land tenure system in place are summarized below:

- Land use is limited to 20-year periods for annual crops and 50-year periods for perennial crops;
- Governmental authorities can withdraw existing land use rights for national development strategies;
- Inadequate plot measurement leads to boundary disputes;
- Evidence has been found of local informal fees to attain formal entitlement;
- Lack of consultation;
- Little or no forewarning that people have to relocate;
- Land prices set by the state do not equal actual market prices;
- Inadequate compensation schemes;
- Farming households and other people affected share a lack of decision-making power;
- Access to credit remains limited for farming households with small plots of land;

(Akram-Lodhi 2005; Macaulay et al. 2006; Dien 2011).

All the issues discussed in this chapter and presented in the above summary of most pressing issues can be found in Thuy Duong as well. The farmers in Thuy Duong do not own their agricultural land which makes them extremely vulnerable to agricultural land conversion. The following chapters will go into these issues in more detail to examine how the lives of the people in Thuy Duong have changed as a result of governmental policies including policies to convert large plots of land.

5. Agricultural land conversion in Thuy Duong

Thuy Duong commune is located next to the city of Hue in Central Vietnam. Whereas it used to be a rural commune, rural-urban links have transformed this commune into a peri-urban area in less than twenty years. The rapid urban expansion of Hue and the local government plans to further develop Thuy Duong have affected the physical landscapes in and around the commune as well as the lives of the people living inside Thuy Duong. In 2010, Thuy Duong officially turned into a peri-urban area. The majority of the inhabitants are fully dependent upon non-agricultural activities for survival. This chapter briefly discusses some of the main characteristics of Thuy Duong commune and provides more detailed information on the recent land use changes.

Map 5.1. Thuy Duong and Hue



(Google Maps 2012)

5.1. Population

The population of Thuy Duong stands at 11,773 people according to 2009 estimates (Thua Thien Hue Portal 2012). During one of the first interviews held with the local headman of village 3, Hamlet 1*, Mr. Hien, he told me that migration rates have been growing over the years. Unfortunately, he could not provide any documents with official data regarding the exact numbers. Every year, more students move to Thuy Duong to live in student guesthouses and people from outside Thuy Duong are buying land and

* In Vietnam, a hamlet refers to a small settlement or village, part of a larger area (in this case Thuy Duong commune). There is no universal definition of a hamlet, this varies per country.

building houses in the commune. From the period 2000 to 2012, around 200 people left Thuy Duong commune according to Mr. Hien and in the areas where the research was conducted, 30 to 40 people per year migrate into the villages (Interview March 2012). Some of these newcomers leave after a couple of years, especially students who study at nearby locations of Hue University. Students as well as other new residents are attracted to Thuy Duong commune to escape some of the emerging issues in the centre of Hue. These issues include high living costs, densely populated housing areas, and other nuisances such as street noises and traffic congestions. These new inhabitants have not come to Thuy Duong to work in the agricultural sector since their work is mainly located in Hue. The new inhabitants encourage the availability of new business opportunities for the local residents. Evidence can already be found that the growth of Hue is leading to the construction of new urban residential areas inside Thuy Duong commune and planned projects for the coming years illustrate this growing trend even more.

5.2. Selected villages

The agricultural land is mainly located in the Northern part of Thuy Duong commune. During an interview with Mr. Thanh, vice-chairman of the local commune, one of the employees showed a map of Thuy Duong indicating the different land use areas. Unfortunately, I was only allowed to look at the map. Taking notes or making pictures was not allowed. The research area selected for this thesis, Hamlet 1, is situated in the middle of the commune as shown on map 5.2. Due to the unavailability of detailed maps, it is difficult to locate the research villages exactly. Interviews were conducted with people living in village 1 to 8, all located near the railway.

Map 5.2. Thuy Duong



QL 1A/AH1: National Highway Nr. 1

(Google Maps 2012)

Some of the villages are not as easily accessible as others, or very attractive building sites due to limited land availability and a lack of paved roads. New educational facilities, urban housing areas, and tourist projects are build along National Highway No. 1 which will in most cases benefit the people living near the main roads the most. New chances arise due to a decline in travel time between different localities, which also makes it easier for people living in the commune to travel to areas near the commune, including Hue. Although some household members work from their own home, the majority of the respondents have to cover certain distances to reach their work, as well as to do shopping and participate in social activities.

5.3. Labor structure

Changes in the labor structure of Thuy Duong indicate that there is a general shift away from the agricultural sector towards the non-agricultural sector. Due to the industrial growth inside Thuy Duong, urbanization within the commune, and urban expansion of Hue, non-agricultural employment opportunities are growing. These developments are important reasons for the changes in the labor structure over the years. Table 5.1. demonstrates that in a period of ten years, the role of agriculture has decreased considerably while the role of the non-agricultural sector increased. Unfortunately, no distinction is made between the combination of agricultural and non-agricultural labor in the data used for table 5.1. Under the majority of the surveyed households, even the people who are still engaged in agricultural activities do not fully rely upon these activities. They often work in the non-agricultural sector as well to secure their livelihoods.

Table 5.1. Labor structure changes in Thuy Duong

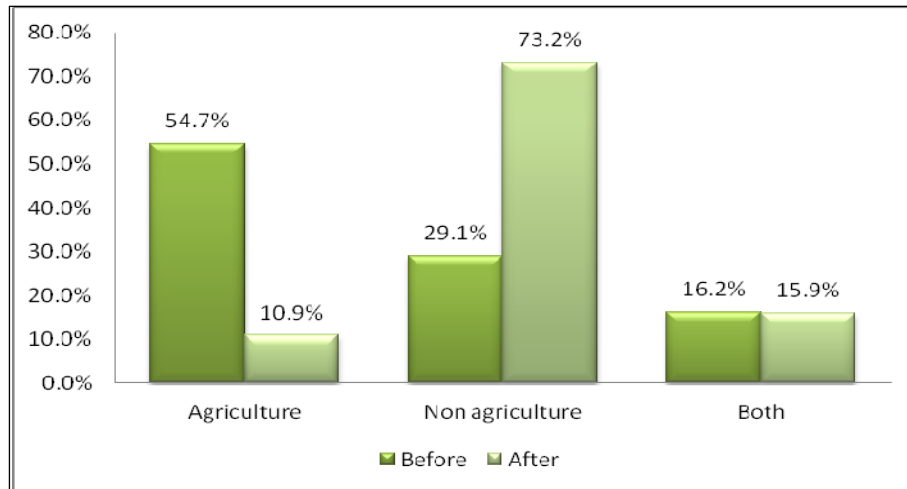
Sector	2003		2005		2010	
Agricultural sector	25.7 %	1173	18.5 %	1013	14.7 %	-
Non-agricultural sector	74.3 %	3392	81.5 %	4463	85.3 %	-
Total	100%	4565	100%	5476	100%	-

(Nguyen 2008; local government documents with data from 2010).

Unfortunately, no absolute numbers were provided for the year 2010. The data does show a shift from one sector to another. The information in table 5.1. offers a better understanding of the labor structure of Thuy Duong commune, and was taken from data obtained via the local government authorities. The data depicted in figure 5.1. is gathered through the interviews in the selected research area. The household members interviewed were asked to indicate in what sectors working household members were active before agricultural land conversion, and the division of labor within households as it stands today. The findings demonstrate that the labor structure changed considerably over these time periods. Of the total labor force, nearly 55 percent worked in the agricultural sector before agricultural land conversion. After agricultural land conversion, the percentage of the total labor force working in the agricultural sector dropped almost 45 percent. In addition, the proportion of the total labor force employed in the non-agricultural sector has increased by almost 45 percent. The total labor force active in both sectors has not changed that much. However, the numbers below do not specify the actual hours spent on economic activities in the agricultural and non-agricultural sector. During the interviews, it became clear that the majority of the people who already worked in both sectors before, now spend more time on

non-agricultural economic activities due to decreased land holdings and the need to increase the total household income. A closer look at the changes unfolding in Thuy Duong in relation to livelihood transformations is taken in the last two chapters, chapter six and seven.

Figure 5.1. Labor structure before and after agricultural land conversion



5.3.1. Farming activities

Rice cultivation is the main type of farming activity carried out by households living inside Thuy Duong. During the collectivization period, from 1975 to 1980, 80 percent of the households in Thuy Duong became part of the Thuy Duong Agricultural Cooperative (Nguyen 2008, p.61-62). In 1988 policies were enacted to end the collectivization period. Individual households were given land allocated to them by the government. The Thuy Duong Agricultural Cooperative did not disappear when decollectivization was initiated. Nowadays, the cooperative supports the farmers with services such as irrigation, land preparation, the use of machinery, and fertilizers. Farmers have to pay for these services at the end of harvest time. During the focus group discussion, the farmers explained that being a member of the Thuy Duong Agricultural Cooperative provides many benefits. Farmers receive information regarding new techniques to increase the quality of their rice and they buy their pesticides and fertilizers from the cooperative. The respondents, who still work as farmers were asked about the importance of farming activities for the livelihoods in Thuy Duong in the context of the emergence of non-agricultural activities. The general answer given refers to the interrelatedness of both sectors. During the focus group discussion Mr. Thanh Sinh, a 65-year old farmer shared:

“Agriculture and industry support each other. Farming is important, without it we do not know where we will get our rice from. We are too old to work in the industrial sector of Phu Bai, we are not too old to work as farmers. My children work in the industrial sector. Together we live our lives and pay for all living expenses. I think the government walks on both feet, they want to depend on industry and agriculture”.

Farming activities in Thuy Duong are characterized by small-scale farming, there are numerous plots of agricultural land and land fragmentation is on the rise due to the construction of new roads, buildings and housing areas.

5.3.2. Non-farming activities

The growing presence of non-farming activities over the last three decades has led to changes in the labor structure of Thuy Duong, and the contribution of non-farming activities to the GDP of the commune. As said before, agricultural activities are regularly combined with non-agricultural activities to support household's livelihoods. Diversified income sources have existed for a long time in Thuy Duong as villagers already took part in non-agricultural economic activities such as trading, construction, food processing, and handicraft production before agricultural land conversion (Nguyen 2008). Employment opportunities in the commune itself and in the surrounding areas have grown. New markets where people can sell their own-made products are set up in different parts of Thuy Duong. An important employer, especially for the young labor force is HUEGATEX, the Hue Textile and Garment Corporation located in Thuy Duong. Operations started in 1988 and at present, there are up to 2500 employees (Hue Net 2012). The urbanization within Thuy Duong and the urban expansion as a result of general economic development in Hue furthermore result in growing demand for construction builders and assistants. Business relations between Thuy Duong and Hue are growing when looking at the information given by villagers working in construction, carpentry and furniture making. Mr. Duong Anh (50), who makes bricks which he then sells to others, said that new buyers increasingly come from Hue (Interview March 2012). Small construction companies sometimes contact him when they are in need of bricks, or as Mr. Duong Anh named it, 'emergency bricks' when there is a shortage. Mr. Nguyễn Trung (45) travels to several areas in and around the city centre of Hue on a daily basis for his job as a carpenter. He mentioned that it is very easy for him to get new orders in Hue as well as Thuy Duong, however, particularly in Hue (Interview April 2012).

5.4. Land use changes

The total land area in Thuy Duong equals 1250 hectares, of which agricultural land makes up over 50 percent. The plots of land in Thuy Duong available for small-scale agricultural production are disappearing. Nevertheless, farming activities have not yet fully evaporated. Table 5.2. demonstrates that agricultural land is declining whereas the total land area for non-agricultural purposes increased

considerably. Moreover, over 80 percent of the land classified as ‘unused’ has been converted. The land is now used for infrastructural development, and the building of new urban residential areas (Interview with Mr. Trong, chairman of the local commune, March 2012). Taylor and Bending (2009) explain that governments regularly have incomplete knowledge about actual land use areas, the classification of land is always subject to state interpretations of what constitutes unused land. Although 70 hectares were classified as unused land by the government, Mr. Lê Nghong (52) mentioned that this land was sometimes used as grazing fields for cattle such as buffalo’s. These land areas thereby indirectly contributed to the income of households, especially of the poor farmers (Interview with Mr. Lê Nghong, April 2012).

Table 5.2. Land use changes in Thuy Duong

Land use changes (in hectares)	2005	2010	Change
Total area	1249.89	1250	+ 0.11
Agricultural land	805.18	782.54	- 22.64
Non-agricultural land	374.57	457.32	+ 82.75
Non-agricultural land used for production or business purposes	13.83	98.10	+ 84.27
Unused land	70.14	10.14	- 60
Total	1249.89	1250	

In the last five years several large-scale development projects have been approved by the local authorities, ranging from building a post office and urban residential areas to the clearing of land for the expansion of industrial zones. For example, in 2008 the government decided that over 10.000 m² of land had to be converted to build 16 new textile factory branches. The more recently approved projects (see table 5.3.) will further increase land use changes in the commune. What this means for current and future agricultural land conversion rates remains unclear up until now. No clear information was given in the Thua Thien Hue Development Report (2010) regarding the exact villages affected by the development projects shown in table 5.3. While the infrastructure to Khai Dinh tomb has been finalized, the last three projects, as well as the expansion of Song Hong street are still under construction. Under the selected research villages, 126 households lost agricultural land (Interview with Mr. Hien, March 2012). The list with the affected households was provided by Mr. Hien and used to select the people interviewed for this research. The list contains 111 households, contrary to the 126 households mentioned earlier. Under the listed households, the total amount of land converted is 373.47 sao (196.735 m²), which is almost 65

percent of the total land area. The total agricultural land area before agricultural land conversion was 579.04 sao (289.520 m²), 20.557 sao is left (92.785 m²). During the research period I met six other families who also lost agricultural land. They were not mentioned on the list given to me even though this was the most up-to-date list available. When Mr. Trong and Mr. Thanh were asked about agricultural land conversion in the nearby future, both said that they did not have an answer to this question. Whether or not more agricultural land will be converted depends upon the decisions made by the central government (Interview with Mr. Trong and Mr. Thanh, March and April 2012). The above statement suggests that the central government has a considerable power position when it comes to approving (new) development projects at the local level. However, Nguyen (2008) poses that the local government is the layer of government responsible for local development projects. It could well be the case that both layers of government decide upon development projects.

Table 5.3. Development projects in Thuy Duong

Purpose	Total land area reclaimed (ha)	Number of households affected	Number of households resettled	Total value compensation (x 1000 VND)
Upgrade and expand the Song Hong street, phase 1	0.4	68	6	3.481.492
Upgrade and expand the Song Hong street, phase 2	1.1	19	-	681.415
Infrastructure Thuy Tien to Khai Dinh tomb	4	68	-	2.656.544
Resort at Thuy Duong	4.1	18	4	1.274.456
Resort at Thuy Duong	4.2	104	3	2.704.962
Hue Industrial College	4.3	35	-	600.840
Golf Course Thuy Duong	75.2	321	3	8.090.967

(Thua Thien Hue Development Report 2010)

The Vietnamese government wants to promote overall national development by linking major (urban) centers to each other, especially in and around Hanoi, Danang-Hue and Ho Chi Minh City. This is where local and national plans come together to develop the areas around Hue, and Thuy Duong in order to facilitate the further growth of the whole region (Thua Thien Hue Province). National development plans will then influence or overlap with regional development plans. As explained in chapter two, when a decision is made by the central government, other party members and levels of government have to follow these decisions.

5.5. Land conversion procedures

In Thuy Duong, the national and lower levels of government are the key players when it comes to agricultural land conversion. Private investors, foreign and domestic, can only lease land from the government since private ownership of land is not allowed (Kerkvliet 2006; Macaulay et al. 2006). Before agricultural land can be converted, several procedures have to be followed. The whole process involves different layers of government, the headmen of the different villages, the villagers themselves, and the investors. The investors first have to submit an application for their desired project which will then be checked by the provincial authorities after which the payment for the land has to be made by the party leasing the land. Mr. Hien explained that land conversion is taking place by the government in many cases for state-owned enterprises. When the enterprise has paid the fee to the provincial authorities they receive the permits necessary to convert the land. A land use certificate is handed over to the enterprise. It only takes enterprises between 20 to 35 days to get their application approved according to Mr. Trong (Interview March 2012).

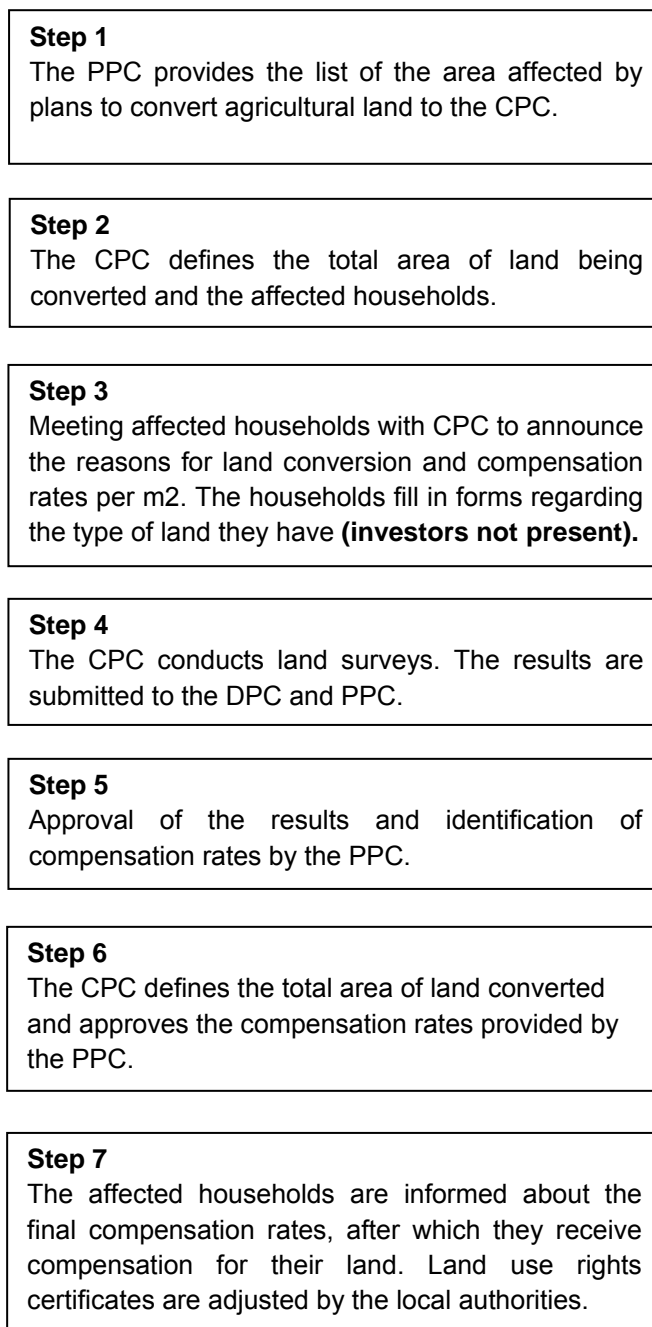
The parties involved in setting the compensation rates and sharing the development plans with the affected households are the government, the communal people's committee (CPC), the district people's committee (DPC), the provincial people's committee (PPC), village representatives, and the investors. These parties are also called the Compensation and Clearance Council (Nguyen 2008). As explained by Mr. Trong, in an interview held with Nguyen (2008, p.116):

“After receiving information from the DPC about compensation rates, we guided the communal department of land resources to make a plan to carry out the policies. These policies include setting compensation packages and support procedures for villagers losing their land. We had to do this without the help from the district and provincial authorities. Along with the household representatives, we proceeded with work such as taking land surveys, drawing maps, defining the number of households affected, etc.”

The compensation rate per m² is decided upon by the provincial authorities as noted by Mr. Trong. However, during the interview held with Mr. Hanh he stated that the central government has set up certain guidelines which have to be followed at all levels. These guidelines influence the compensation rates set by the provincial authorities. How much influence the central government exactly has remains unclear. It was difficult to gather clear information about this issue due to translation inconsistencies. Moreover, contrasting information was provided by the people interviewed. Figure 5.2. presents the land use recovery procedures step-by-step. The figure is constructed with the help of earlier research

conducted by Nguyen (2008), and through the gathered information during my fieldwork. Villagers were noted about the plans via letters sent by the local authorities.

Figure 5.2. Land conversion procedures step by step



The villagers interviewed indicated that only local government officials were present during the meeting, where they were informed about agricultural land conversion and the compensation rates per m². Local government officials told them about the amount of land that would be converted, and about the compensation schemes. As said before, it only takes enterprises between 20 to 35 days to get their application approved. This could explain why farmers are only notified about agricultural land conversion a few months before the land is seized. Table 5.4. gives a schematic overview of the notification period regarding agricultural land conversion. The minimum period noted was 2 months and the maximum period found was 1 year.

Table 5.4. Notification period agricultural land conversion

Notification period (in months) N=40	0-3	3-6	6+	Total
	13	25	2	40

This short time span makes it extremely difficult for people to suddenly shift to other livelihood trajectories, not even thinking about the possible emotional shock people might go through. In both material and non-material ways, farmers have only limited time to get used to the idea of not being a farmer anymore, the idea of finding a new job and how their lives will change. Additionally, the people affected by the plans of the government were invited to one meeting only. During these meetings, only those affected were invited and other farmers or non-farmers interested in attending the meetings could not attend these meetings. Another issue brought forward by some villagers was the measurement of their agricultural land. Some people were not aware of the exact size of their agricultural land and they were fully dependent upon the defined areas by government officials. This problem was also noticed by Mr. Trong who said that there were differences in measured land size and the actual amount of land distributed in 1994 (Nguyen 2008; Interview March 2012).

5.6. Compensation packages

Compensation is a sensitive and very political issue as it is a mechanism to distribute wealth to those people in possession of land use rights. Kim (2011) found that compensation practices are changing due to social pressure that is put on the authorities. The discontent of local citizens with the land governance system in place, and their resistance, resulted in 'renegotiation of the social contract of property rights' in the Ho Chi Minh City area. The media played an important role in this whole process. Over the years, several articles were published in various newspaper on agricultural land conversion, how local governments had handled their compensation, how plans were not followed properly, and other problems (Kim 2011, p. 505). While the research findings of Kim (2011) suggest that the bargaining power of local citizens is increasing in land compensation changes in the Ho Chi Minh City area, there were no

opportunities to reject the plans of the government, nor could the farmers negotiate the amount of money provided by the government as part of the compensation package in Thuy Duong. In the context of agricultural land conversion, the compensation packages are meant to assist farmers to adapt to 'new' living circumstances. The rate of compensation has a huge influence on the ways in which the package is used and able to help the affected households in securing their new livelihoods. Consequently, the process of social differentiation is easily deepened by the different amounts of money paid to the farmers losing their agricultural land. While compensation rates have increased over the years, the overall value has stayed the same or even decreased due to the high levels of inflation. One of the older farmers, who lost 60 percent of his agricultural land, 2 sao, in 2004 explained:

“The price was fixed, 5 million per 1 sao and you just accept, you have no choice but to accept. The money we receive as farmers is often very low so we can not use it for many things. This means that we lose a large part of our rice without getting a sufficient amount of money to cover our losses. You can only spend money once, while we can harvest our rice twice every year and at least feed our families”.

(Interview with Mr. Lê Kháon (60), March 2012).

5.6.1. Compensation rates

Several households complained about the financial compensation they received. Differences in compensation rates between the different households may arise due to the fertility of the agricultural land, the allocation of the agricultural land, and the year in which the land is converted. Every year, the provincial government adjusts the rate of compensation to what they believe is the value of the land at that time. The provincial government pays compensation for the land use rights only, the period of time the land has been used by the affected households does not influence the amount of money paid to them. Table 5.5. gives an indication of the average compensation rates. Even though the table provides an indication of the average prices related to agricultural and residential land compensation, it is important to note that from the data gathered it remains difficult to come to terms with average prices paid per sao for both agricultural and residential land. There are large differences in the amounts of money received by the different villagers as illustrated in table 5.6.

Table 5.5. Average compensation rates

Year	Compensation agricultural land in million VND (per sao)	Compensation residential land in million VND (per sao)
2000	0.5	50
2003	2	82
2005	5	100
2011	40	130-150

The data in table 5.5. does show that average compensation rates increased considerably, especially from 2005 to 2011. The large differences found in the compensation packages provided to the affected households are illustrated in the following paragraph and table 5.6:

Mr. Khong lost 0.7 sao in 2011, 8 percent of his total agricultural land and received 16 million VND (18 million VND/sao), Mr. Pham Van Suu lost all his land in 2011, 4.7 sao and received 200 million VND (42.6 million VND/sao). An extreme case was found during the interview with Mr. Nguyễn Vo who lost 38 percent of his land in 2010, 2.4 out of 6.4 sao and received a total amount of 220 million VND (91.6 million VND/sao). They all lost their land around the same period (late 2010, early 2011), nevertheless, the compensation paid per sao is very different when comparing these three cases.

Table 5.6. Differences in compensation packages

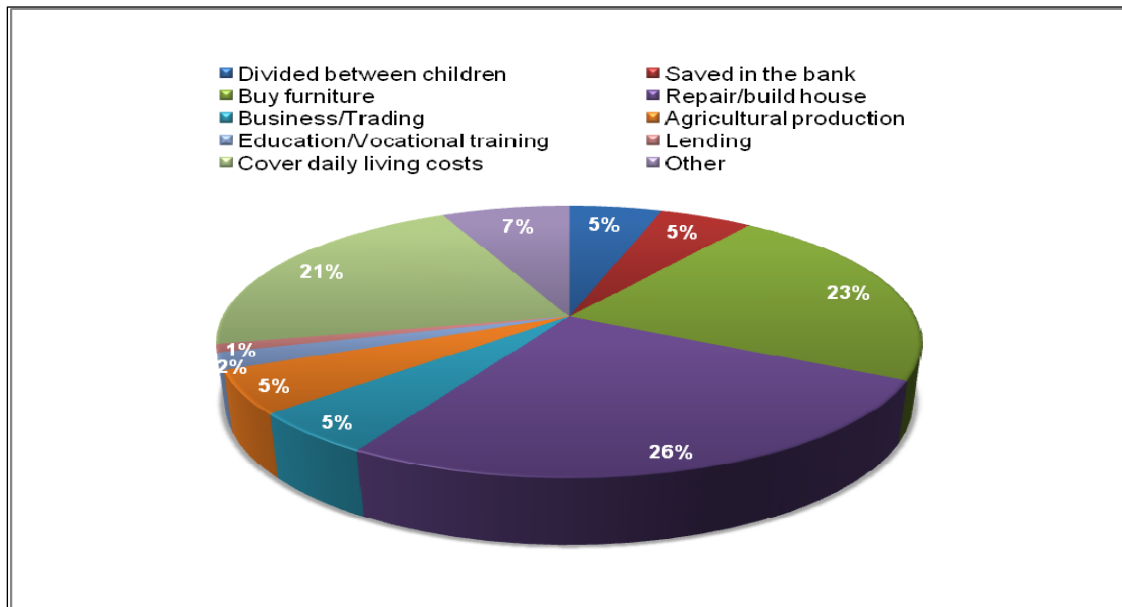
Name (age)	Land area before ALC (sao)	Land area after ALC (sao)	ALC (sao)	Compensation package in VND	Compensation per sao in VND
Mr. Khong (67)	8.75	8.05	0.5	16 million	18 million
Mr. Pham Van Suu (51)	4.7	0	4.7	200 million	42.6 million
Mr. Nguyễn Vo (49)	6.4	2.4	4	220 million	91.6 million

The findings could correspond to the fertility of the land or the 'power positions' of those in question. Mr. Khong belongs to the poorer households in Thuy Duong while the latter, Mr. Nguyễn Vo, can be considered rich in terms of his household income. He is also one of the vice-officers of the Thuy Duong Agricultural Cooperative. The differences in compensation rates carry the potential to increase inequalities between households and could lead to the social marginalization of some farming households. The selling of residential land use rights helps in accumulating financial resources. The price of residential land is much higher than the price for agricultural land. Unfortunately, a lack of data on residential land compensation rates makes it problematic to derive generalized statements.

5.6.2. Use of compensation

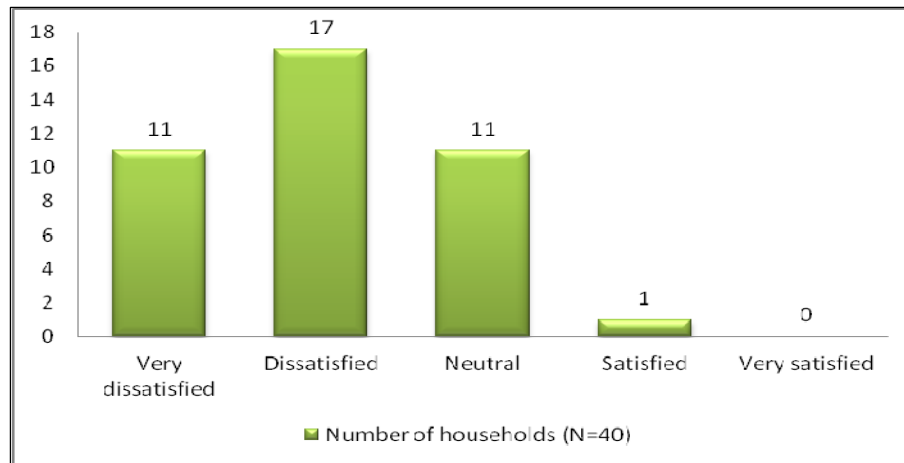
The compensation money received by the affected households was used in different ways. Overall, most households used a large part of their compensation money to buy consumption goods, cover daily living costs or to repair their houses as shown in figure 5.3. The poorer households used more than half of their compensation money, 65 percent, to cover daily living costs, to buy furniture and to build/repair their house. The middle-income households spent around 50 percent on this, and the richer households only spent 10 to 15 percent on daily living costs, furniture and on improving their house. The richer households spent over 30 percent on trading investments and the same percentage on educational programs (educational degrees for their children). Paying off debts formed only a small portion of households' spending ways. Not all respondents were willing to provide information on this point. On average, the poor households while the richer households were able to save some of the compensation money in the bank or to invest it in business/trading. These results coincide with the research findings of Nguyen (2008), who also illustrated that the majority of households used compensation money to repair/build houses (mainly the poor and middle-income households), and on business and trading (the richer households).

Figure 5.3. Use of compensation



The majority of people interviewed illustrated they were not happy with the amount of money as it was too low to use for long-term investments. The eleven respondents who were nor satisfied, nor dissatisfied responded they were happy that they now owned nice furniture or consumer goods such as a television or radio, nevertheless, the money was not enough to help them secure a better future. The chart created in figure 5.4. indicates the level of satisfaction found among the surveyed households.

Figure 5.4. Level of satisfaction compensation package



Conclusion

This chapter has given an overview of the general characteristics of Thuy Duong regarding its population, economic activities, and land use changes. Furthermore, the process of agricultural land conversion has been described alongside the rules and procedures that were found during the fieldwork. One of the main findings in this chapter relates to the shift from the agricultural to the industrial sector in terms of employment opportunities for the people living in Thuy Duong. Farmers turn to the industrial sector to secure their livelihoods out of necessity. With farming activities alone they are not able to support themselves and their families. The land use changes show that the amount of agricultural land and unused land is decreasing rapidly whereas the land used for non-agricultural production and business purposes is increasing. Agricultural land conversion to facilitate industrialization and urbanization further speeds up the process of shifting economic activities and changing livelihoods. The people affected have no choice but to find new sources of income, especially when taking into consideration the low compensation packages they receive by the government. Although compensation rates for agricultural and residential land have gone up over the years, life has also become more expensive, and inflation decreases the actual value of the financial compensation packages. The large differences found among the financial compensation packages creates the possibility for social differentiation between the affected households. The next chapter will show what the developments discussed in this chapter mean for the changes in livelihood assets of the people living in Thuy Duong.

6. Asset mobilization

Central in this chapter are the assets people possess and use to construct their livelihoods in Thuy Duong. The impact of agricultural land conversion on these assets might create opportunities as well as risks for the households. By exploring the changes in asset holdings before and after agricultural land conversion, we gain more insight into the ways in which people adapt to changing living circumstances and which asset holdings are (the most) important. The research results are presented under the six livelihood assets identified in previous chapters.

6.1. *Natural capital*

Besides agricultural land conversion, access to, and the availability of natural capital is threatened by population pressures, littering, unsustainable development policies, and the unsustainable use of natural resources (Macaulay et al 2006; Iiyama 2008). As shown in chapter one, some scholars argue that the role of natural capital is diminishing. Because of this development, being landless or having small plots of land does not automatically result in becoming poor (Rigg 2001; Ravallion and van de Walle 2006). These processes occur in Thuy Duong as well. Current land holdings in Thuy Duong are too small to generate enough income to sustain the lives of household members. The average size of landholdings among the households with agricultural land is 3.8 sao, equivalent to 1,900 m². From the interviews and focus group discussion it became clear that a household of four people needs around four sao of land, producing two crops per year to meet basic subsistence needs in terms of rice consumption alone. In those instances where people continue to work as farmers on their own land, survival solely based upon farming activities is not found. Other income sources are vital to put enough food on the table and to pay for other living expenses. Of the people still in possession of land use rights, the majority is older than 55. There were no farmers under the age of 35. Only eight people interviewed were in between 35 and 50 years of age.

With ongoing urban developments, the encouragement of further industrialization and the conversion of agricultural land to make this happen, landlessness is on the rise. Landlessness is present across the poor, middle-income and high-income households. In line with the literature on landlessness and poverty already discussed in chapter one, becoming landless after agricultural land conversion does not automatically result in decreased living standards. Seventy-five percent of the people who lost all their agricultural land said that their living standard stayed the same when comparing their living standard before and after land conversion. Non-agricultural activities have become central to the livelihoods of farmers and their households as farming now forms one of many activities and the size of land holdings is decreasing. The landless households that can be considered rich in comparison to other households in the commune, have several members working outside the agricultural sector. By shifting away from full dependency upon agricultural activities towards multiple activities across different sectors, households

have more abilities to build up their asset holdings. Nevertheless, it should be kept in mind that new vulnerabilities also arise. Not every household is able to benefit from the opportunities present outside the agricultural sector. New vulnerabilities include: becoming jobless or having insecure income while average living costs increase as a result of general development trends. The poorer households, either with no land at all or small plots of land are households where the members; a) are above 55 years of age; b) have young children still in primary or secondary school; or c) where the majority of the adults work in the agricultural sector as farm laborers.

In general, the people in Thuy Duong move away from reliance upon land and land-related activities. Having natural capital is not enough to make ends meet. Households that greatly rely upon their natural capital in order to construct their livelihoods are heavily affected by agricultural land conversion. When asked if the people wished to be full-time farmers if they could, they all responded that life would be very difficult. Reasons are increased input costs (fee for services provided by the cooperative and costs for fertilizer and pesticides), extreme weather events destroying crops and insecurity in terms of land use rights. In addition, whereas farmers above the age of 55 still find farming very important, at least in cultural terms, younger generations think otherwise. The daughter of Ms. Nguyễn Pho (23) mentioned that young people want to work outside the agricultural sector. They see farming as a “job for our parents but not for us, it is a low status job for people from our age”, (Interview March 2012). Although the people interviewed are partly moving away from agricultural activities, it is too early to argue that land is not important anymore. When households are able to grow their own rice, they are not fully dependent upon the market for daily food consumption which can help in livelihood improvement. Nevertheless, having access to natural capital in the form of agricultural land does not on its own promote opportunities for livelihood improvement. This is explained in more detail in chapter seven.

6.2. Human capital

Human capital is vital in order to make use of several of the other assets. After the discussion of human capital assets, more information is given about the difference between the quality and quantity of human capital assets. Both the quantity and quality of human capital within a household matter for total human capital assets. Education and having certain working or business skills are seen as the way out of poverty. Especially at times when families can no longer depend on farming activities to sustain their livelihoods, educational levels become more important alongside having specific working skills. The table below shows the educational level of the people interviewed. It shows that in the past, most people only went to primary or secondary school. There is no clear link between higher educational levels and having acquired specific working skills for the people above 40 years of age. The people with specific working skills (carpenter, furniture maker) said they followed training courses when they were in their early twenties and learned from other colleagues as well. Age does matter when looking at the educational levels of the people in between 35 to 54 years of age. The respondents in this age group all finished

primary school and went to secondary school, two out of the 9 people falling in this category followed higher education. Two people mentioned that they did not go to school when they were younger, both belong to the group classified as poor (see table 6.1).

Table 6.1. Level of education

Age	Poor			Middle			Rich			Total			All age groups
	-34	35-54	55+	-34	35-54	55+	-34	35-54	55+	-34	35-54	55+	
Primary school	0	0	8	0	0	17	0	0	0	0	0	25	25
Secondary school	0	0	2	0	4	0	0	3	0	0	7	2	9
Higher education	0	0	0	0	2	0	0	0	2	0	2	2	4
Total	0	0	10	0	6	17	0	3	2	0	9	29	38

Over the past two to three decades, primary and secondary school attendance increased considerably. Children who are in school now will have a higher chance to finish secondary school, and to pursue a university degree. Increased living standards, a greater willingness, and ability of parents to finance educational degrees lead to this trend. This was mentioned several times during the interviews held. Children with higher educational levels are argued to be more successful in seeking stable and higher-income jobs. This may result in better living conditions of the parents themselves when the children are old enough to find a job and to contribute to the household income. Mr. Lê Kháon (60), said that he was able to continue working on his agricultural land because his children contribute 1.5 million VND per month, half of the total household income. His eldest son works in carpentry ever since he learned how to be a carpenter after secondary school (Interview March 2012). When children have stable and more higher-income jobs as a result of specific working skills they possess due to having followed a training program, this helps in securing the future of the parents. Children are expected to take care of their parents when they get too old to take care of themselves, both in financial and non-financial terms.

As noted by 40-year old a farm laborer;

“My two daughters are in primary school at the moment. My wife and I do not have a lot of money but it is important that my daughters finish school and we hope they can go to university. We sacrifice our lives for our children so they can have better lives themselves and support us when we are too old to work or take care of ourselves”

Mr. Hồ Nghi, a male working as

(Interview, April 2012).

Financial constraints do limit educational opportunities, especially when it comes to pursuing university degrees. Currently, educational levels still tend to be low among many of the respondents and the older household members. Whereas educational levels are more and more important for the younger generations, the older generations are more likely to find work based upon certain work skills they have acquired a long time ago or work requiring low skills and low educational levels.

The people affected by agricultural land conversion make use of their own human capital assets as the data collected in the commune demonstrates that the farmers losing agricultural land have not received any form of occupational training. During the first interviews held, people told me that only those farmers who lost all their agricultural land were given vocational training. However, when I met with farmers who lost all their land, none of them confirmed that they received vocational training by either the government or private actors. In several instances, in particular during interviews with the more poorer households in the community, people complained about not having the opportunity to follow training programs in contrast to other regions in Vietnam where people could follow training programs. People who only know how to work as farmers often remain working on the land of others, even though this leads to a more insecure existence. The chairman of the commune, Mr. Trong explained that the people losing agricultural land were all given compensation packages, which they could use to pay for training programs to learn new skills (Interview March 2012). In addition, Mr. Trong said that ample employment opportunities are present in the textile factory at Phu Bai industrial zone. However, there are certain requirements people have to meet before they are able to work here. People above the age of 40 are not desired employees. Banners from the textile factory present throughout Thuy Duong clearly state that they are looking for people from 18 up to 40 years of age. This was confirmed by the respondents.

The respondents belonging to the middle-aged people, 35 to 55 year olds, have more human capital assets than the respondents above the age of 55. Some of them followed a training course or educational degree in manual tasks such as carpentry before they took over the agricultural land from their parents. After agricultural land conversion it was easy for them to pick up their old profession. While they now have to work longer hours on a daily basis, their income is higher compared to the income they earned as farmers. Men find jobs in the construction sector or they become self-employed as carpenters or xe ôm drivers. Women regularly find work at the local markets where they sell food which they prepare at home.

In general, the people with certain working skills such as carpenters are more likely to find higher income-earning and secure jobs than unskilled people who end up as xe ôm drivers in the case of men, or in the case of women as saleswomen at nearby markets. Important to note is that they acquired these skills before land conversion took place. Finally, all the sources of human capital are directly influenced by the health status of individual members within a household. People with health problems may not be able to work, have to spend a large amount of their income on medical care, and do not receive any help from the government or other parties. This creates problems for the whole household, which can drastically reduce the well-being of all household members.

Another feature of human capital is the access to information, information people can use to increase their human capital or to turn human capital into other capitals (DFID 1999). All the households visited owned a television and some of the richer households possessed a computer with internet connection. Remarkably, the households where a computer with internet connection was present had relative young adults, students or children making the most use of the computer. Young adults often play videogames, keep in contact with friends via Facebook, and email. They also use the internet to find information on the topics they are interested in. Television and the internet both provide ways to access information. Although censorship remains widespread, especially on television, computer users are able to find information on the internet (both positive and negative about for instance social issues in Vietnam). Other sources of information include meetings held with the local headman of the villages, the chairman of the commune and several social organizations. However, access to information regarding agricultural land conversion, rules and procedures, compensation rates and future land seizures is extremely limited. Information about agricultural land conversion in Thuy Duong is also difficult to obtain through television or the internet.

The quality and quantity of human capital assets

In Thuy Duong, households where several generations live together remains common. The household income then becomes a shared income. Multiple members, who work, contribute a part or all of their earnings to the household income. The pooling of resources is regarded to be an effective way to secure the livelihood of the whole family. In those households where dependency upon agricultural activities was or remains high, the labor force stands under more pressure to find new employment activities to generate enough income for the whole family. Moreover, larger families have to feed more people which makes new income sources extremely important. Larger families also have more opportunities to divide their labor over different sectors, thereby decreasing a household's vulnerability. If, for instance, a member of the household becomes unemployed, temporary reliance upon the other household members prevents long-term deterioration of living conditions. In households where people work as farmers or as farm laborers, vulnerability is high. When the harvest is (partially) destroyed due to for instance extreme weather events, or the overuse of chemicals, income from other sources is vital. The quantity of human

capital assets certainly has a positive impact on the degree of success in adapting to new living circumstances. Households in Thuy Duong where several household members have secure and stable jobs, are better off in terms of building sustainable livelihoods than those households where the quantity and quality of human capital assets is limited. More evidence on this is provided in the next chapter.

The evidence provided in this section shows that human capital is becoming an increasingly vital factor for the construction of sustainable livelihoods in Thuy Duong. In terms of economic hardship and general well-being, people with low working or low educational skills have more difficulties in finding secure and high-income earning jobs than the people who possess specific working competences or those with higher educational degrees. The amount of human capital assets acquired by people depends on several factors, including household size, skill levels, labor force and health status. In addition, personal skills play a crucial factor as well. Some people have more leadership potential or are better able to start their own businesses. These differences already result in social differentiation between households or household members. In Thuy Duong, age is an essential factor for the quality of human capital assets since the younger generations have higher educational skills than their parents and the people below the age of 55 regularly possess specific working skills which they use to sustain their lives.

6.3. Social capital

Networks and connections people have with each other help to increase their social capital. In Thuy Duong, I looked at four different subthemes to investigate to what extent people draw upon social capital. To measure household's social capital, and access to social capital, the people being interviewed were asked to indicate how many households members were part of any social organization. They were further asked to specify how often members attended meetings of the different social organizations, to whom people turn to when they need help and how they perceive their social relations with other hamlet residents.

6.3.1. Social organizations

Membership of a social organization can positively influence a person's social capital due to the information and support provided through these organizations. The most popular social organizations are the farmer's union, the women's union and the union for the elderly.

The Farmers Union (FU) provides information about agricultural development plans within the commune, new technologies, and it acts as a place where members can learn from each other and discuss their problems regarding farming activities. Membership is open to all, people without agricultural land can also become members. Households with agricultural land holdings have at least one household member who is a member of the farmers union. There was only one respondent with agricultural land who indicated

that no one in the household was a member of the farmers union. Under the landless group, 8 out of 16 households still have members belonging to the farmer's union even after all their agricultural land was converted and they had to shift to other sectors for employment. The respondents said they still feel compelled to attend meetings from the farmers union although they are not farmers anymore. When asked why they are still members, people generally responded that farming and the issues farmers face are still in their 'hearts and minds'. Together with the Thuy Duong Agricultural Cooperative, the farmers union supports farmers with the provision of subsidies for agricultural inputs, services, and sometimes with compensation when crops fail due to droughts and floods. The interview findings do indicate that the role of the farmers' union is weakening in the context of agricultural land conversion and the declining role of the agricultural sector. Mr. Khùng explained that nowadays, people do not have time to attend meetings regularly due to their work schedules. Whereas before, farmers worked only a couple of hours per day, farmers now combine farming with other employment activities.

Women are united through the Women's Union (WU). During the meetings women come together, discuss their work- and family-related issues and help women in need in both material and non-material terms. The women's union receives financial support from the government. Moreover, they receive information from the government about health and social issues such as how to prevent domestic problems, raising children and preventing diseases (Interview with Ms. Nguyễn Pho (45), March 2012). Of the 40 households interviewed, 23 respondents indicated that one member in their household was a member of the women's union. The women's union empowers women to raise their voices in community matters according to Mr. Hien and some of the household members interviewed.

The elderly are organized through the Union for the Elderly (UE). Mr. Khùng Thi, a 82-year old villager explained that the union set up for the elderly has over 200 members in Thuy Duong. It is an organization where the elderly can turn to when they need help or when they want to draw attention to strengthening governmental support for the elderly. Meetings are organized once or twice per month and special days for the elderly are organized two to three times per year.

In short, farmer, women's and elderly organizations all provide certain benefits to its members. Household interviews confirmed that the organizations are very helpful in times when people want to borrow small amounts of money (for weddings, funerals, business, etc.). No entry or participation barriers were identified by the respondents. Apart from these social organizations, the local headman is another person villagers can turn to when they need assistance or want to raise their concern about certain issues. The local headman of each village holds a weekly meeting with the chairman of the commune to discuss ongoing events and problems. Monthly meetings are held with the chairman of the commune, the local headman and the villagers. Villagers are then given the opportunity to directly ask questions to the chairman of the commune. None of the respondents indicated that they turn to local leaders when they

need help (in both material and non-material terms). Of the respondents, 34 out of 40 people indicated that they turn to relatives and friends in case of need. The other six pointed out that they take care of their problems themselves, without the help of relatives, friends, or local government authorities.

6.3.2. Customs and traditions

Daskon (2010, p.494) notes the important role of culture in constructing livelihoods: “Individuals and communities have their own values, meanings, customs and knowledge systems that affirm identity and diversity and play a key role in sustaining livelihoods”. The respondents were given the opportunity to talk about their lives in Thuy Duong which resulted in reoccurring beliefs and values. Women generally ‘follow their husbands’ when they get married. They leave their own family to live with their husband and in many situations the couple lives together with the parents of the husband. Although more people from outside the commune are buying and building houses in the commune, most families have been living in Thuy Duong for several generations. People are happy with their lives in Thuy Duong. While the role of farming activities in economic terms surely diminished over the past decade, particularly due to agricultural land conversion practices, the majority of respondents still believe farming remains important for the families living in the commune. Life lessons learned as farmers influence people’s perceptions and values. During the focus group discussion, the attendants explained that life as farmers is difficult and their parents taught them to ‘work hard and eat less’ during hard times. These beliefs are passed on to children and young adults, whether they show an interest in farming or not. Nevertheless, it can be argued that the cultural values related to agriculture are changing and different among the different age groups. Where the elderly want to stay within the commune and believe farming is important, no conclusions can be drawn on a broader scale. The younger people could disagree on this point, no data was collected from young adults to examine this.

6.3.3. Social changes

Alongside physical land use changes as a result of industrialization and urban expansion, societal relations in general are changing. Whereas individualism is profoundly existent in many Western countries, more collectivistic societies are commonly found in developing countries. These collectivistic societies are influenced by recent increases in living standards and broader development processes leading to more independence of family members and changes in traditional social relations (Rigg 2001; Martine et al. 2008). In Thuy Duong, agricultural land conversion has not drastically changed the social relationships within the village, nor have social relations in general changed considerably over the past decade. All respondents mentioned that their social relations have not changed due to agricultural land conversion. The results found furthermore show that there is a high level of trust and respect among the people living in the villages under study and family is still seen as central in social life, for young and older people. Some people mentioned that social relations have improved since general development of the

area increased the living standards of the people,

“Because of the higher standards of living of the population in Thuy Duong, the people do not worry as much as they used to do. Now our children are older some of them are able to help out in the household expenses and income in the non-farm sector is higher than the income of the farmers. There are less arguments now, people feel more happy and are able to live better lives than 10 years ago.”

again no emphasis was placed upon the role of agricultural land conversion in this case. As noted by Mr. Lê Kháon (60):

(Interview, March 2012).

6.3.4. Social problems

Rapid economic development, urbanization and life style changes have created new social problems, or ‘social evils’ as they are called by the respondents. People were asked to rank changes in the occurrence of four different social problems, including robbery, gambling, alcoholism and drug use, the results are shown in the table 6.2.

Table 6.2. Social problems in Thuy Duong

	Increase	No Change	Decrease	Don't know
Robbery	18	13	7	5
Gambling	22	8	9	4
Alcoholism	21	9	9	4
Drug use	10	17	10	6
	N=43	N=43	N=43	N=43

Gambling and alcoholism are found the most severe among young people (students) who live in Thuy Duong. During the day you see students playing cards and drinking beer at small cafes in Thuy Duong. Attempts are made to control these social issues through governmental campaigns emphasizing the need to move away from ‘social evils’ and the responsibility of the family to prevent social problems among their families. Information is spread via the mass organizations, television, the internet, newspapers and the radio as mentioned by Mr. Lê Ngo (56) (Interview, April 2012).

6.4. Political capital

The right to utilize and access assets is politically determined which ultimately leads to some people having more power to access certain assets than others. As coined by Baumann (2000), political capital illustrates the balance of power and where local people stand in relation to other actors. As shown in chapter five, political participation is very limited in Thuy Duong. Whenever the people were asked how they felt after hearing the news that their agricultural land would be taken, they all answered that their feelings did not matter in the end. When land is taken by the government, there is nothing the villagers can do about this. The respondents mentioned that they felt powerless when they were told about the plans to convert their agricultural land. It is uncommon to openly question the decisions made by the government and the government remains a very powerful actor in Thuy Duong. This powerful position in society is further reflected in announcing the plans to convert agricultural land used by farmers. Over one-third of the farmers were notified about agricultural land conversion between one to three months before the land would be converted. Additionally, there were no channels to oppose the plans of the government. 'We have to follow the regulations of the government, whether we like it or not' was the general answer given.

6.5. Financial capital

Financial capital represents the monetary assets people have to sustain, or to further ameliorate their livelihoods. It is regularly seen as the most useful asset since it can easily be transferred into other identified assets. Sources of financial capital include: income, social security benefits, cash, bank deposits, financial compensation, livestock, and possessions used as financial assets. During the interviews, changes in financial capital were captured by looking at the monthly income from the whole household. How much money the household members need to sustain itself, the composition of the household income and to what extent children contribute to the household income were the other indicators. At times it was difficult to get a good overview of these issues as people often did not know how much they actually earned. Nor did they have a clear idea about their expenses, and when the height and income sources started to change. The main change is noted in the income sources. Income sources are mainly derived from non-agricultural activities, rather than agricultural activities. In those cases where farming constitutes a large part of the total household income, agricultural land conversion forces farmers to look for new job opportunities, in the agricultural or non-agricultural sector.

Children regularly add a part of their own income to the general household income. In more than half of the cases where households still own agricultural land (14 out of 24), children do contribute to the household income. In the majority of the households without agricultural land, children help out in the household expenses (13 out of 16). Contributions range from 500.000 VND to up to 2 million VND. In the latter case several children share a part of their own income with all household members. Of these contributions, four respondents noted that they receive money from their children who left Thuy Duong to

live and work elsewhere in Vietnam. The money (and sometimes goods) sent home by migrants are called remittances. Remittances are designated as 'new' financial assets, argued to be crucial for many poor families in developing countries (Willis 2008, p. 213). The amount of money sent back home differs drastically, the results found show that the amount of money lies somewhere between 200.000 VND to up to 1 million VND per month. One case was found where remittances were provided by a son living and working abroad in Cambodia. The majority of children sending remittances back to their parents live and work in Ho Chi Minh City, Hanoi or Danang. This form of financial capital has the potential to weaken as well as deepen dependency upon others. In those situations where people use remittances to increase their financial assets in a productive way by investing in other capitals or by saving money, their dependency upon remittances might decrease over time. Remittances used for consumption might deepen dependency rather than decrease the rate of dependency (Willis 2008). In Thuy Duong, remittances are used to pay for daily living expenses and the households receiving remittances said they depended upon the financial remittances to meet their daily expenses.

6.6. Physical capital

Without physical capital, access to other capitals becomes highly complex. Poor infrastructure and the unavailability of other physical goods prevents sufficient access to for instance educational services and health care facilities. Physical goods, such as cars and motorbikes, do come with their own price tags. Not everyone is able to cover the costs.

6.6.1. Infrastructure and transportation

The role of physical capital is increasing due to the closer links between the urban and peri-urban areas, the growing need to find employment outside the commune, and the location of educational facilities outside the commune. All villages are easily accessible by motorbike and bicycle. Car accessibility remains limited. This might change in the future as the current infrastructural system is upgraded constantly. Cars are still rare in and outside the commune, motorbikes are the main form of transport. The possession of motorbikes increased considerably among the households. Whereas the majority of the surveyed households indicated that they did not own a motorbike or only one ten years ago, nowadays almost all households, poor, middle-class and rich, own motorbikes. Motorbikes are used on a daily basis. The poorer households usually own only one motorbike and make relatively more use of bicycles than the richer households. Due to a general lack of reliable public transport services in city centers, outskirt areas and in the more remote areas, owning a motorbike can make a crucial difference for people's livelihoods. As explained by Ellis (2000), physical capital includes production goods rather than consumption goods. However, a clear distinction between the two becomes complex when consumption goods are used to derive income. If you are in the possession of a motorbike, the motorbike can be used to generate income. People may work as carriers and transport items from point A to B with their bicycle or motorbike, xe ôm drivers use their motorbike for personal use and to earn income. People living in Thuy Duong also

use their own homes to set up small shops where they sell food or coffee. People living near the main road, leading from the city center to Phu Bai's industrial zone, have a more advantageous position in terms of setting up their own businesses than the people who live further away from the main road. In Thuy Duong, two former farmers who are now above the age of 60 work as xe ôm drivers. It is a relatively easy way to earn income since you only need a motorbike and a social network to get customers. The main problem is that income is insecure, low and the price for fuel is rising.

6.6.2. Dwellings and livestock holdings

The type of dwelling people own, and their location serves as another tool to look at the differences among the villagers in terms of access to physical capital. One-story houses made from bricks and stones are the main type of dwellings found. Some households have used a part of their compensation package to upgrade their houses with a second floor or with ground floor extensions. The poorer households have smaller houses where several people sleep together in the living room. Growing population density prevents large-scale livestock holdings near the house. Five people mentioned that they raise livestock to increase their income. Livestock holdings are only found among households where the majority of household members work in the agricultural sector. However, raising livestock does not come without any threats. Livestock holdings are regularly threatened by animal diseases and extreme weather events as explained by Mr. Vhú (Interview April 2012) He lost his chickens and ducks two times over the past five years, the last time due to the bird flu.

6.7. The six capitals and the vulnerability context

Shocks, trends and seasonality influence access to the different capitals in either positive or negative ways. An increase in household's capital assets may increase chances to positively deal with sudden shocks or to smoothen adaptation to seasonality and societal trends (see figure 1.2). Extreme weather events, including floods and droughts make people more vulnerable. During the flood of 1999, many houses were totally flooded and the villagers frequently mentioned the damaging effect the flood had on their well-being at that time. The flood lines can still be found in many of the houses in the low-lying areas. Other causes leading to increased vulnerabilities, particularly among the poorer households, are population trends such as the growing percentage of elderly. They are fully dependent upon family members for their well-being. The lack of agricultural land is another major issue for the households whose income is mainly derived from agricultural activities. Vulnerability is further enhanced through the types of employment found after land conversion takes place. Price changes as a result of high levels of inflation also increases the vulnerability context in which people construct their livelihoods.

Conclusion

In this chapter, the six assets are introduced and information is given on the changes in asset holdings

before and after agricultural land conversion. First of all, the role of natural capital is decreasing in the context of the broader changes spurred by economic growth rates. While access to agricultural land helps to decrease a household's consumption bill, landholdings of the people interviewed are too small to sustain a whole household. Secondly, the role of human capital is becoming more important. Parents work hard to invest in their children's education. They do this to secure the future of their children as well as their own futures. All children part of the families interviewed are attending at least primary and secondary school whereas the majority of the respondents themselves only finished primary school. Since the government has not provided any form of vocational training to the farmers losing agricultural land, people with low educational levels and no specific working skills have difficulties in finding stable jobs to secure their livelihoods.

To deal with changing living circumstances, sudden shocks and stresses, the respondents often make use of their social capital. Membership of mass organizations provides a way to increase the sustainability of a household's livelihood. Through these mass organizations, people learn about subjects of interest to them, people can raise their concerns about problems they encounter and they can turn to social organizations for financial support (small amounts). Support, both in financial and emotional ways, is also provided by neighbours and relatives. The willingness to help each other indicates that social relations between neighbours and relatives are strong in Thuy Duong. Unfortunately, societal changes that have led to new living circumstances have not resulted in more political power of the villagers. Access to political capital continues to be extremely limited, people are unable to influence decision-making procedures and governmental decisions.

With increased access to physical capital, it has become easier for the residents of Thuy Duong to travel to nearby places and visit friends and family on a regular basis. The widespread possession of motorbikes makes it possible for the people who own one to increase their assets. People use their motorbikes to generate income or to travel to their jobs outside the commune. Other important financial assets include the contributions made by the children within a household who are able to work. Although remittances are not widespread among the surveyed households, they form important contributions to the total household income. What all these changes in assets mean for the livelihood strategies sought after agricultural land conversion will be explained in the next chapter.

7. Livelihood trajectories

Within the context of changing living circumstances households use their livelihood assets to respond to these changes. This chapter presents the patterns, also known as livelihood trajectories, taken on by the households to find out what role agricultural land conversion and urban expansion play in this adaptation process. A closer look is taken at the changes in livelihood trajectories before and after agricultural land conversion. In the last section of this chapter, attention is drawn to the differences found between and within social groups (young adults, women and elderly) to investigate the influence of social differentiation mechanisms on and between the different social groups.

7.1. Classifying livelihood trajectories

The livelihood trajectories identified by Scoones (1998, p.9) are used to explain livelihood changes in Thuy Duong. The first one relates to agricultural intensification whereby inputs such as capital, pesticides and fertilizers go up to increase agricultural production on the same amount of land. Secondly, diversification describes the combination of agricultural activities and non-agricultural activities. The last trajectory, migration, refers to households or some members of the households leaving their residential area to build a new life somewhere else. Migration could well entail the combination of agricultural and non-agricultural activities or non-agricultural activities alone. Of the three trajectories identified by Scoones (1998, p.9), agricultural intensification, diversification and migration, most households choose for livelihood diversification. Another pathway followed which is not fully explained by Scoones (1998), is the total shift away from agricultural activities to income earning activities derived from non-agricultural employment, without migration to a new area. This trajectory is discussed under the heading of non-agricultural trajectories. It is possible that individual members of a household and the household as a whole combine several strategies at the same time or sequentially.

Agricultural intensification is not discussed in full detail as it is not widely applied by the people interviewed on a personal basis, nor do households increasingly rely upon agricultural production as part of their main economic activities. This already shows the declining importance of agricultural production for the composition of households' income-earning activities. Nevertheless, it does not necessarily demonstrate that agricultural activities are not important at all for the livelihoods of the farming

households. As described by Nguyen (2012), seeking out different livelihood trajectories is a continuous process where there are 'key' decision-making points, which highly affects actual livelihood outcomes. Decisions are based upon the set goals and priorities of the household as a whole and of the individual household members, rules regarding land governance, availability of job opportunities and market access (Ibidem).

People have different motivations for adopting the livelihood trajectories discussed above. These can be diverted into categories that are influenced by the assets people possess, and more structural factors influencing access to livelihood opportunities. Livelihood trajectories that make use of a minimum resource base for future expansion and upward social mobility are known as accumulative trajectories. These result in improved livelihoods (de Haan and Zoomers 2005, p. 39). Households may use their land use rights to lease their agricultural land to others or they may decide to sell some of their residential land to increase their financial assets. Coping strategies are adopted to deal with structural uncertainties and sudden shocks including crop failure or a shortage of labor availability within a household. In contrast to accumulative strategies, coping strategies are enacted to prevent further downward mobility and livelihood improvement to create upward social mobility (Ibidem). Survival-oriented livelihood trajectories are considered to be used by the most vulnerable groups in society. These trajectories involve the mobilization of all available assets to fight destitution until living conditions change for the better (Bebbington 1999). It is important to note that these categories do not have clear boundaries, coping strategies can well be used both as a survival and accumulation strategy. The following paragraphs analyze the livelihood trajectories found in Thuy Duong.

7.2. Diversification

Under the surveyed households, diversification across different sectors is seen as the best way to increase and improve the possession of livelihood assets. In particular financial capital, which can be transferred or used to strengthen other capitals. It is used for survival, coping as well as accumulation purposes and a good indicator of the adaptation process with the occurrence of agricultural land conversion processes for urban and industrial development. Since agricultural land holdings are decreasing in size and numbers, while at the same time input costs are high, diversification is a more viable option than agricultural intensification. Another important reason why people do not choose for agricultural intensification but for diversification relates to the availability and renting options of agricultural land. Renting land for agricultural production to enlarge one's landholdings is not a popular trajectory sought due to the price of agricultural land. Land prices are increasing rapidly, the returns of renting land do not outweigh the costs as described by the respondents. Moreover, income from non-agricultural activities is higher than income from agricultural activities. Other factors that have an impact on the decisions to diversify are the composition of the household, the age of the household members, household expenditures, the size of current land holdings and the presence of new employment

opportunities. Thus, the initial background of the households play an important role in the choices made.

The majority of surveyed households live with multiple generations in one house where the parents and children both contribute to the household income. This often leads to the situation where parents partially continue their working as farmers on their own land. Their children find jobs in the non-agricultural sector. Of the 24 households that still have agricultural land, 75 percent continues to work on their agricultural land to produce rice for domestic consumption and thereby reduce food consumption expenditures and market dependency. The rice serves as a minimum food supply and can be used for survival, coping and accumulative strategies. Under survival strategies, people use rice for domestic consumption. They sell a part of their agricultural output to other households when income activities outside the agricultural sector are not high enough to sustain household's livelihoods. In times of hardship, people eat less as they try to adapt to the situation they are faced with. For those households where income generated from non-agricultural activities is already enough to pay for all living expenses, a decrease in living expenditures due to rice production provides opportunities for asset accumulation and upward social mobility. Several households possessing land use rights already chose diversification before agricultural land conversion took place. Agricultural land conversion is therefore not the sole reason to adopt diversification.

With decreasing land holdings, diversification as a livelihood trajectory stands under pressure. There is a growing need for non-agricultural employment opportunities for farmers as well as for other household members. Although some of the children are able to contribute to the household income, farmers themselves still need to diversify their livelihoods. They do this by moving into other agricultural activities and non-agricultural activities. Agricultural activities include: raising chickens, ducks or pigs near the house; the planting of vegetables in home gardens; and the preparation of processed food such as tofu, bahn loc and bahn nam (Vietnamese rice cakes). These products are sold at local markets. The most pursued non-agricultural activities are in construction, carpentry, wood carving, furniture making, selling products at the local markets or jobs as xe ôm drivers and farm laborers. The table below shows the most significant non-agricultural activities found among the different age groups to indicate specific patterns across the different age groups. The first age group reflects the non-agricultural activities pursued by the young adults, children of the (former) farmers. Of the surveyed households, no farmers were found below the age of 35.

Table 7.1. Main economic activities along age groups

Thuy Duong	- 35	N	35 – 55	N	55 +	N
Men	Factory work Construction	3 9	Construction Carpentry Wood carving	5 2 1	Xe ôm driver Farm labor	2 5

			Furniture making	1		
			Farm labor	4		
Women	Factory work	8	Food production for markets	8	Farm labor	3
			Small shop owner	1	Food production for markets	7
					Small shop owner	1
Total		20		22		18

As most farmers still in the possession of land use rights have diversified their livelihoods to secure their lives, they show signs of adaptability to changing living circumstances. While Dien (2011, p.137) argues that adaptability helps to adjust resources for the benefit of those able to profit from new economic opportunities and can be seen as a choice to accumulative livelihood trajectories, diversification in Thuy Duong is necessary due to the higher living costs that can not be covered by agricultural activities alone. Respondents (rich or poor) mentioned that living costs are increasing. This trend is also found at the national level in Vietnam as explained in chapter two. Most of the people answered that the household income gathered from non-agricultural activities is significantly higher when compared to earnings gained from rice cultivation even though they were not able to indicate the differences in terms of precise monetary values. It can certainly serve as an accumulative strategy, however, in most cases the main reason why farmers themselves chose diversification in the first place comes from a clear need to support their household members. Rice-cultivation helps to bring food on the table, however, it does not help to cover non-food expenses such as school fees, medical care, motorbikes and other consumption products. Choosing diversification for accumulation implies that diversification is not strictly necessary by itself but rather used to increase a household's income (Rigg 2001; Dien 2011). This is not the case in Thuy Duong. The research findings show that livelihoods based on agricultural activities alone are not present at this point in time, there is a clear need for diversification in terms of survival and coping mechanisms.

Recent developments in Thuy Duong such as local urbanization, the urban expansion of Hue and industrial development, have created strong incentives for livelihood diversification. As said before, reliance upon agricultural activities is not enough to sustain people's lives, let alone the lives of an entire household. This makes livelihood diversification essential for every household in order to be able to first and foremost cover all daily living expenses and to live decent lives, "lives where we have enough to eat and where we can support our children in the best way possible so we are all happy" (Interview Ms. Minh (47), April 2012). Nevertheless, the outcomes of diversification in terms of accumulation, coping and survival strategies differ between households. Whereas the well-off are better able to use diversification for accumulation, the more vulnerable households opt for diversification as part of a strictly necessary survival strategy. Which one of these categories is followed, intentionally as well as unintentionally heavily depends upon the starting position of the households including the household size, working skills and educational levels of the household members, their age and their health conditions. In short, the majority of surveyed households still make use of their agricultural land or work as farm laborers on the land of

others to construct their livelihoods. Farmers between the age of 35 to 55 years of age with special working skills are in a better position to diversify their income while also reducing risks and improving their livelihoods than those farmers with low working skills who are above the age of 55. People wish to avoid diversifying their livelihoods by working as farm laborers due to the insecurity and low wages paid.

Making use of the available assets provides another opportunity to accumulate wealth, for instance by building guesthouses on residential land next to farming activities or as part of a non-agricultural strategy. However, only the more wealthy are able to do this as it requires large amounts of money to build the guesthouses and arrange all the necessary services such as running water and electricity. Mr. Nguyễn Vo, the only respondent who build guesthouses on a part of his residential land explained that he was only able to do this because of the large amount of compensation money he received, 220 million VND (Interview April 2012). The general trend points out that the role of non-agricultural trajectories is vital to create sustainable livelihoods. Later on in this chapter, the changes in livelihood trajectories across the different groups in terms of wealth will be explained in more detail.

7.3. Non-agricultural trajectories

The search for non-agricultural income sources is first and foremost important for those households with no more agricultural land holdings due to agricultural land conversion. In total, 16 out of the 40 people interviewed lost all their land, and 11 of them solely rely upon the resources earned through employment outside the agricultural sector. Relying upon agricultural activities alone for those households losing all their land is closely linked to lower income and a lower wealth status. Mr. Khong (67) and his wife both work as farm laborers, they indicated that their living standard as well as total household income has decreased due to the fact that they heavily rely upon agricultural activities as farm laborers for their total household income. They looked for jobs outside the agricultural sector to increase their income, however, they said they were too old and had little knowledge about other professions (Interview April 2012). In the case of Mr. Duong Anh (50), he deliberately stopped working on his land after agricultural land conversion took place. After agricultural land conversion took place, Mr. Duong Anh (50) gave the remaining plot of agricultural land to relatives due to the income he derives from non-agricultural activities. During the interview held in March 2012, Mr. Duong Anh (50) stated the following;

Four households in total decided to stop their farming existence before agricultural land conversion took place. Apart from Mr. Duong Anh (50), the decision to stop working as farmers was highly influenced by the age of the farmers and general health conditions. Once people become too old or too sick to work on their land, the land is given to family members or rented out to others. Making a profit out of this is difficult when looking at the statements provided during the interviews. Respondents who rent their land to others did not provide a statement about the actual height of the costs and earnings. All of them simply answered that they either received very low and unstable payments, or a small amount of rice for domestic consumption. In short, non-agricultural trajectories are mainly taken on by the elderly or due to unforeseen health issues that prevent farmers from continuing their agricultural work, by people with special entrepreneurial skills or other comparative advantages in terms of access to other sources of income. When asked about the ways in which they found new employment opportunities, the people answered that they were able to find new jobs with the help of friends and relatives. This shows the

“I already worked in construction sometimes before agricultural land conversion happened. I started working in construction full-time as I believe it is easier and more convenient. Farming is a very seasonal occupation and during harvesting time, you have to work long hours, even when it rains or when it is very hot. Extreme weather events can severely damage the crops and sharply decrease your income. Now, I make bricks that can be used to build houses and other buildings. This job is better for me because I can work at home and decide my own working hours. Even though my salary does depend upon the amount of bricks I produce on a daily basis, my income has increased in comparison to my job as a farmer. On average, I produce 200 bricks in one day with a profit margin of 500 VND per brick. My children could also contribute to the household income when needed, however I earn enough to feed my whole family”

importance of people's social network and therefore social capital.

Although non-agricultural activities are considered to be positively related to higher income and wealth (Dien 2011, p. 141), the success of non-agricultural trajectories depends upon a households 'starting position' as mentioned before. It is no given that people, especially the poor can actually take advantage of new employment opportunities outside the agricultural sector. The data in table 7.2. shows that the starting position of a household where the person whose income is the most important, the highest and has specialized working skills is relatively better in terms of finding secure and stable income sources than those with no specific working skills. The average income is higher for those jobs requiring specific working skills.

Table 7.2. Income differences between people with and without specific working skills

Specific working skills				No specific working skills			
Name	Age	Occupation	Income in million VND	Name	Age	Occupation	Income in million VND
Mr. Duong Anh	50	Construction	3	Mr. Dong Xua	64	xe ô m driver	1.5
Mr. Lê Tung	42	Carpentry	3 – 3.5	Ms. Nguyễn Pho	62	seller nu'óc mia	1 – 1.5
Mr. Giang	45	Furniture	3	Ms. Li	61	seller nu'óc mia	1 – 1.5

It should however be noted that apart from having specialized working skills, the household size, the age of the household members and whether or not they contribute to the household income is an essential feature in the overall construction of sustainable livelihoods for the households. Together, these features heavily influence the ability to follow accumulative trajectories or not.

7.4. Migration

Migration is another pathway often used in those situations where farmers lose their agricultural land and leave their home to seek job opportunities in other areas (Winkels and Adger 2002; Dien et al. 2011). Some of the households affected by agricultural land conversion left Thuy Duong to live elsewhere, however, there was no data available on the reasons why they left and where they migrated to. This made it impossible to gather data on this specific issue. Migration is not regarded as a strategy the farmers or former farmers interviewed would adopt in the near future. In contrast, migration of younger

household members is rising. When they send money to their parents or family members, this too becomes part of the household income and influences the livelihood strategies sought by the people staying behind. In a number of cases, children left Thuy Duong to work in Ho Chi Minh City, Danang or Hanoi. Notably, the sons are the ones who leave the area to work elsewhere and send money back home. This can be explained by the fact that daughters leave their family home to live with their family-in-law once they get married. Their monetary contributions are used to support their 'new' families. At this point in time, it is too soon to tell whether or not more people will leave the area to work in the bigger cities. On the one hand, new employment opportunities may arise in Thuy Duong itself and in nearby Hue as a result of economic. On the other hand, with a growing and very young labor force there may not be enough employment opportunities available, and people may seek employment in other areas in Vietnam. Statements made by young graduates in Hue illustrate that there are not enough jobs available for them in Hue related to their studies. This increases the likelihood or desire to migrate to bigger cities where it is thought that employment opportunities are more widely available (Interview Nhan Nguyen (21) and Duong Phuc (23), April 2012). The desire of younger people to migrate to larger cities is not simply a result of the occurrence of agricultural land conversion. Another important reason is linked to the broader societal developments, including the growing importance of the industrial and services sector over the agricultural sector.

7.5. Changes in livelihood trajectories and social differentiation

In order to look at the changes in livelihood trajectories, data was gathered on the economic activities of the household as a whole and of the different household members. The people interviewed were asked to indicate the division of labor in 2000 and the division of labor today, in 2012. The life history research approach helped to identify changes in livelihoods over time and whether or not these changes were initiated by agricultural land conversion or by other factors. Households have been grouped according to their status as a poor (monthly income up to 3 million VND/month), middle (monthly income between 3-5 million VND/month), or rich household (monthly income above 5 million VND/month). Table 7.4. shows the changes in livelihood trajectories across the above indicated income groups for the two time periods specified. Regardless of households' status as a poor, middle, or rich household, there are no households that fully depend upon agricultural activities. The role of non-agricultural livelihood trajectories has grown across all specified groups, especially among the middle-income households.

Table 7.3. Changes in livelihood trajectories across income groups

	Poor		Middle		Rich		Total	
Land conversion	2000	2012	2000	2012	2000	2012	2000	2012
Agriculture	7	0	9	0	0	0	16	0
Diversification	3	7	14	13	5	2	22	22
Non-agriculture	1	4	0	10	0	3	1	17

Total	11	11	23	23	5	5	39	39
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In 2000, agricultural activities were vital for a large part of the poor households as well as middle-income households. Over time however, the poor abandoned full dependency upon agricultural activities and shifted to diversification strategies and to non-agricultural activities. In the latter case, they did this because they became too old to work as farmers. Monthly income derived from agricultural activities is too low to cover all living expenses, land plots too small or the farmers are too old to work on their land. On average, households can earn around 0.5 to 1 million VND from farming activities “when we are lucky” as highlighted by Thanh Sinh (65). Costs for agricultural services are growing, as well as general living costs which makes additional income sources all the more necessary. Due to the small plots of land, the produced rice is mainly used for domestic consumption.

The seven households that have now diversified their livelihoods have done so to cope with their changing living circumstances and because their children are old enough to work so they can contribute to the household income. The heads of the households all explained that the income derived from agricultural activities was simply not enough for them. Of the four households changing from diversification into non-agricultural livelihood trajectories, only one respondent noted that shifting was necessary strictly due to the loss of agricultural land. Age and the farmers’ health conditions were the main reasons why people in this group changed their livelihood trajectories. Overall, agricultural land conversion puts more pressure on the people to combine activities in the agricultural and non-agricultural sector, however, agricultural land conversion was not the only cause of the sectoral shift.

The biggest change in the middle-income group is the shift from the agricultural sector to the non-agricultural sector. Almost half of the middle-income households are now involved in non-agricultural livelihood trajectories. Diversification is still the most followed trajectory. Of the 13 households that follow diversification as a livelihood trajectory to construct their livelihoods, 7 shifted before agricultural land conversion took place while the other 6 did so only after agricultural land conversion took place. The households that shifted after agricultural land conversion said they needed more money to sustain their lives and during their life as farmers they often had to rely on the help of others to meet their subsistence needs. When asked if they would still be only farmers if they would still have their agricultural land, all responded that diversification is necessary to cover all living expenses and to improve people’s lives. Their children do not wish to work in the agricultural sector which makes diversification the most attractive option for the households. The research findings gathered through the life history research furthermore show that only 2 people from the middle-income group adopted non-agricultural activities after agricultural land conversion took place and they lost all their land. For the other 8 households, non-agricultural activities were already adopted before agricultural land conversion took place. The main reasons for this mentioned by the respondents belonging to this group are the possession of specific working skills of the head of the households, the desire of children old enough to work to find employment outside the

agricultural sector and the ageing elderly who used to work on the agricultural land.

The 5 households belonging to the richer households in Thuy Duong, all shifted to diversification before agricultural land conversion. Over time, three households went from diversification to non-agricultural trajectories after they lost all their agricultural land. The respondents said that this transition was not a hard one for them, Mr. Giang (45) already worked as a furniture maker and was able to expand his activities in the non-agricultural sector after agricultural land conversion. Mr. Phong received over 250 million VND as part of his compensation package. This helped him to increase his monthly income by putting the majority of the package in the bank alongside the income derived from employment of the four household members working at the moment. The household of Mr. and Ms. Tham gave their land away after both parents were not able to work as farmers anymore. The three households with agricultural land, use this land for accumulation and as a buffer for difficult times. The production of rice for domestic consumption helps the households to lower food expenses and thereby make it easier for the households to save money for other purposes as explained by Mr. Nguyễn Vo (49) (Interview April 2012).

In sum, no matter the income group people find themselves in, all households have moved away from agricultural trajectories to the combination of agricultural and non-agricultural trajectories as well as the total shift away from agricultural trajectories to non-agricultural trajectories. While agricultural land conversion does play a role, the research findings indicate that broader societal changes have influenced the lives of the people in Thuy Duong before agricultural land conversion became an important issue for the households concerned. Once parents become too old to work as farmers, or once children are old enough to work, the livelihood trajectories change into the direction of diversification and non-agricultural trajectories. Although the majority already shifted their livelihood trajectories before agricultural land conversion took place, agricultural land conversion did however strengthen the need to livelihood diversification and the shift to lives without any economic activities in the agricultural sector. The poor households that find themselves in diversification trajectories, still heavily rely upon agricultural activities, whether it is on their own land or while working as farm laborers on the land of others. This makes them vulnerable and threatens their livelihood security. Households where members only work in the non-agricultural sector remain vulnerable due to low working skills and low educational levels. The households that did not shift to diversification before losing all their land are forced into non-agricultural trajectories. Households where the head of the household has a non-agricultural background show more tendencies to follow accumulative livelihood trajectories than those households where the head of the household has a farming background. Employment opportunities outside the agricultural sector are present, however, vary according to working skills, age, gender and health conditions. The more well-off are more likely to adopt more profitable non-agricultural trajectories while the poorer households often engage in low-income earning activities, for instance as street vendors, factory workers or xe ôm drivers. Thus, even though both the poor and well-off pursue non-agricultural trajectories, the motivations and

outcomes differ. For the poor, the shift to non-agricultural activities is part of a survival strategy. The well-off are in a better position and use non-agricultural trajectories to accumulate more assets and thereby improve their livelihoods.

7.6. Intra-household differences

Within the previous chapters of this thesis attention has already been drawn to the differences between certain groups in society in terms of access to (new) employment opportunities, desires to move away from agricultural activities and the material and non-material importance of agricultural activities for the different groups. The elderly are less willing to leave the commune to seek a new life somewhere else. They hang on to agricultural activities while young adults follow non-agricultural trajectories to build their lives. Young people do not wish to work as farmers. This chapter explains the intra-household differences found to examine the effect of agricultural land conversion on the livelihoods of three different groups; young adults; women; and the elderly.

Young adults

Young adults make up a large percentage of the total population in Thuy Duong, around 15 to 20 percent according to data from the local authorities. The young adults between the ages of 15 to 25 have at least finished primary school. The majority has also finished secondary school. Urbanization and industrialization provide new employment and educational opportunities. From the interviews, it became clear that young adults generally find work close to home so they do not have to leave the commune. Whether or not young adults would like to leave the commune remains an unanswered question up until now due to a lack of data on this matter. The majority of young people with low educational levels living inside Thuy Duong work in the textile factory where they receive between one and one-and-a-half million VND per month. In order to receive this income, most people work a maximum of ten hours per day, six or seven days per week. Incomes rise when they get older and have worked in the factory for a while. Although they have a stable income, their income only covers their individual living expenses (food, fuel, clothes). Young adults with higher educational levels are more likely to find work in the tourist sector in the city centre of Hue or they work as lecturers at schools, colleges or universities where wages are slightly higher, yet still not enough to live financially independent lives. The 25-year old daughter of Mr. Phang (52) finished her Master degree in mathematics last year and now works as a teacher for Hue University. She earns 2 million VND per month. She organizes extra classes for students every Sunday and Wednesday to increase her income. She gives half of her income to her parents to help out with the total household expenses. She uses the other half of her salary to pay for her own expenses. The amount of money the daughter of Mr. Phang is able to save is used for short-term matters including motorbike reparations or replacements. The lives of young adults are not changing merely due to the loss of agricultural land. They do not want to work as farmers anyway and they have never worked as farmers. When looking at the livelihood trajectories taken on by the young adults, they deliberately follow

non-agricultural trajectories to sustain their lives and to contribute to the overall household income when they can.

Women

Gender equality is seen as a prerequisite for development, leading to more social and economic wealth (World Bank 2011). Despite several positive changes over the last decades, women continue to face gender challenges in their daily lives. According to Meijerink and Roza (2007) men have more opportunities to benefit from changing living circumstances created by economic growth than women do. Ms. Buanh (48) and Ms. Minh both explained that there are large differences in educational levels among men and women above the age of 40 (Interviews April 2012). Whereas nowadays, differences in school attendance between girls and boys is considerably lower and education is seen as important for both girls and boys, this was not the case for the older generations. Boys were regularly favored over girls when parents did not have enough money to send all their children to school. It was common for girls to receive no education at all since “girls will get married and once they are married they have to take care of their children and other family members so people often thought education was not necessary for girls” (Interview with Ms. Buanh, March 2012). Women were also more home-bound than men in order to take care of household-related tasks and to take care of their own children or grandchildren alongside their jobs. Life is changing for the women in Thuy Duong, women contribute a fair share to the household income when they are able to work. They are required to work to help out in the total household income. Of the 40 interviews held, only two cases were found where the wife of the head of the household did not work, in both cases due to health conditions.

Thinh (2009) argues that the gender division in the agricultural sector is growing in Vietnam, thereby increasing inequalities between men and women. These findings do not correlate with the findings in Thuy Duong related to the division of men and women working in the agricultural sector. In Thuy Duong, women and men regularly work together on the agricultural land. Of the 23 households where diversification is present, 13 households have both members (husband and wife) working on the agricultural land. There are three women who work on the land by themselves, all female-headed households where the husband has passed away. Seven cases were found where it is the men only who work on the land while their wives work at the market, selling self-prepared food. Nevertheless, women have not acquired the same working skills as men. Although employment outside the agricultural sector is growing, also for women, many available jobs for instance in carpentry, construction and transport are considered to be only suitable for men. Women predominantly find work in the small-trade sector and at the local markets where they sell their own prepared food, clothes or other products. The jobs fulfilled by men are generally the ones where the highest income can be earned which indicates that there are differences in terms of wage levels and employment opportunities available for men and women. The average income for women equals one to two million VND per month, while the average income for men

is higher, two to million VND per in all, this leads gendered labor when the

“My husband always took care of family problems. For me it is very difficult to deal with certain issues because I do not know what to do sometimes. Normally, I would talk to my husband so he could decide what to do”

three month. All to a more division of looking at

employment opportunities present for women and men outside the agricultural sector. When higher income-earning activities are found in the ‘male’ sector, this leads to more inequality between women and men in terms of access to income sources.

Female-headed households without a male partner are in a more vulnerable position than male-headed households when looking at assets such as human capital, social capital and financial capital. Three cases were found where the husband passed away a couple of years ago. Their wives women described that their living conditions, in both material and non-material terms deteriorated now they are alone with their children. It is difficult for them to take care of their households without the support of their husband, as stated by Ms. Dianh (56) and Ms. Buanh (48);

Ms. Dianh (56), 2012).

“When my husband died suddenly, life became very difficult for us. He always worked to support our family and I took care of our children, one has a mental disorder. Now only two people in the household work from time to time”

(Interview April

(Interview Ms. Buanh (48), March 2012).

Ms. Dianh (56) and Ms. Lúng (62), both fall into the poor-income category with an average income of 1.5 to 2 million VND per month coming from two working household members for Ms. Dianh and 2.5 million VND per month in the household of Ms. Lúng where there are three working members. The other

household, of (48) has three household who together three million month which

“It is hard for us (the elderly) to live our lives without farming, we have been farmers our whole lives. It is difficult to adapt to a new life at our age now that agricultural land is shrinking. I can continue to work as a farmer. I would feel really unhappy if I can not work as a farmer anymore. In Vietnam, once you get older and you can not work anymore, your family takes care of you. It is part of our life”

Ms. Buanh working members earn around VND per is still low to

meet all basic needs. The gender roles present in Thuy Duong have an effect on the livelihoods of women. Men continue to be the main breadwinners and their income is higher than that of women. Women take care of the traditional tasks for women in terms of taking care of the entire household next to her job. Additionally, during the interviews it became clear that it is the men who have the final word when it comes to decision-making within the household. It was difficult to ask women’s opinion regarding gender issues as their husbands were also present in many cases and regularly stepped in to provide an answer for their wives.

Elderly

The elderly in Thuy Duong are in a particular vulnerable position in society due to a lack of jobs outside the agricultural sector for the elderly who are still able to work and the lack of social security programs to support the elderly. Given the rapid changes in society due to industrialization and urbanization, living conditions of the elderly deteriorate if not enough attention is paid to the needs of this group. Information from previous chapters already showed that the people who remain working on the agricultural land are the elderly. Therefore, the conversion of agricultural land to accommodate the further growth of industrial zones and urban areas heavily influences the livelihoods of the elderly. The loss of agricultural livelihoods, combined with the inability to find stable jobs outside the agricultural sector results in increased vulnerability of the elderly as a group and may lead to social exclusion. As explained by Nguyen (2008), disparities between the younger and older generations are growing due to the modernization process in place in Thuy Duong which is changing the relationship among villagers and within and between families. Where farming used to be seen as a good job and farmers as knowledgeable people, farming is not attractive anymore, especially not for the younger generations. Mr. Manh described this process as one in which the future of farming is insecure, not only do the younger people lack interest in farming activities, life in general makes farming a non-attractive option to take care of your family. Mr. Manh (65-year old farmer) added;

(Interview April 2012).

In Thuy Duong, it is common that the elderly continue to work until they are physically unable to work. Even people above 70 years of age have to work to sustain their own lives or to contribute to the household income. This is generally the case for those families whose children do not earn enough income to support their own families or where the parents live on their own. Defining elderly at the age of 55 or above is therefore too young describe 'the hardships of old-age' (Long and Pfau 2007). The people above the age of 55 still live on their own, and work to construct their livelihoods. It is not until they become around the age of 70 to 75 that they become too old to work. When talking about the elderly, it can mean the elderly who are still able to work (55-75) or the elderly who are looked after by their families (75 and above). These age clusters are averages, it could well be the case that there are people below 75 who are unable to work due to ageing as well as there might be people above 75 years of age who still contribute to the household income in terms of monetary contributions or by taking care of their grandchildren. Family-based resources of support for the elderly above 75 are present and essential in Thuy Duong due to the lack of adequate governmental support for the elderly. This makes them largely dependent upon informal support systems provided by family or friends and neighbours. The elderly are respected by their children, grandchildren and by society as a whole. They have fought for their country, lived in harsh conditions and made it possible for the country to grow (Interview with Mr. Lê Kháon, March 2012). It is part of Vietnamese culture to honour and respect the elderly, including taking care of them once they are too old to take care of themselves. At the age of 75 people receive monthly payments from the government, equivalent to 160.000 to 180.000 VND per person. These data are based upon statements made by Mr. Khùng Thi (82) and Mr. Nhanh (82). Additional support is provided for by their children, relatives and sometimes neighbours. In the latter case, examples were given regarding food preparation or helping out with household tasks such as cleaning. Without sufficient social security and public welfare systems, informal support provided by family members or close friends is very important. The vulnerability of the ageing population is highly dependent upon the livelihoods of their children or other people looking after them. The poor will have fewer resources (financial and non-financial) to look after their ageing parents while the middle-income and richer groups within society are in a better position to take care of their parents. In addition, when children leave the commune to work and live elsewhere while the parents stay behind, living conditions for the elderly might worsen. Of the ageing people interviewed, all had children of them who still live in Thuy Duong. The vulnerabilities of the two different groups set out under this paragraph differ. While the elderly who are still able to work find most difficulties in adapting to new living circumstances and finding new livelihood opportunities outside the agricultural sector, the elderly who are unable to work depend upon their children for their livelihoods. The money provided for them by the government is low and nursing homes where the elderly receive daily care are not present in Thuy Duong as explained by Mr. Lê Kháon (60) whose wife takes care of his mother (82).

Conclusion

The changes that have taken place in terms of the livelihood trajectories of the surveyed households indicate that the most obvious change is the adoption of livelihood diversification, whether by free choice or necessity. The importance of diversification is strongly related to the necessity to increase households' financial capital. Accumulative strategies were found among the people with special working skills, relatively higher educational skills and households where those members able to work all had stable jobs and contributed a share of their income to the total household income. In these households, non-agricultural activities are dominant. The poor are those households that still rely upon agricultural activities as full-time farm laborers for the bulk of their total household income. For the poorer households, the shift towards diversification trajectories is driven by the need to prevent further downward mobility and include working as farm laborers, xe òm drivers and work at the markets. The higher-earning economic activities among the people being interviewed include work in construction, carpentry and furniture making, all professions carried out by men only. Nevertheless, when several members within a household have stable jobs and all contribute to the household income, it is possible to find accumulative strategies even with low-earning jobs. Since not all households are able to benefit from higher-earning income activities present outside the agricultural sector which leads to social differentiation between households. The emergence of social differentiation among the three identified social groups indicates that the social groups are all influenced in different ways by changing living circumstances due to growing urbanization and the presence of agricultural land conversion. Diversification and non-agricultural trajectories are further growing in importance due to a growing and young labor force who find work in the non-agricultural sector. It is the elderly who continue to work as farmers or who combine their agricultural with non-agricultural economic activities. Their vulnerabilities rise when they can no longer sustain their lives by agricultural activities and when they are unable to find suitable employment outside the agricultural sector. They then run the risk of becoming marginalized and dependent upon their children for their livelihoods earlier on in time, before they are physically unable to work anymore. The differences between men and women can be found in terms of the activities carried out by women and men, the task division within the household and their position in terms of decision-making power. Women's contribution to the total household income is a fair share of total household income, however, men still contribute the most to the household income and they earn more than women.

Conclusion

After years of foreign dominance, wars, social, and economic hardship, the government of Vietnam is working towards reducing the country's poverty rates and the improvement of people's living standards. In order to do this, industrialization and urbanization processes are promoted by the central government. This has resulted in large socio-economic changes and changing living circumstances for local populations throughout the country. Areas close to intermediate-sized or large cities, which used to be classified as rural, are rapidly transforming into peri-urban or urban areas. To facilitate the further growth of the industrial sector and urban areas, large plots of agricultural land are seized by the government and converted for non-agricultural land use purposes. On the one hand, these developments are in line with the desire of the Vietnamese government to install an economy predominantly based on the industrial and services sector. On the other hand, it affects the lives of many (former) farmers in rural, and peri-urban areas. Their lives have long revolved around agricultural land and agricultural production. Sudden changes can very well lead to problems, in terms of livelihood security, when farming households are not able to adapt to their changing living conditions. The impact of agricultural land conversion policies on the lives of the affected households formed the main subject of this thesis. The central question is:

In what ways does agricultural land conversion transform the lives of (former) farming households in Thuy Duong?

The different chapters all discuss subjects related to the main research question in order to paint a better picture of how lives have changed. In the first chapter, attention is drawn to the interactions between rural and urban areas. As shown by Rigg (2001), the interlinkages between both sectors result in 'mixed-interest-spaces', where people rely upon the agricultural as well as non-agricultural sector to support themselves. In Thuy Duong, the transition from a rural to peri-urban area has influenced the lives of the local population, especially the lives of those who have always relied on agricultural production for a large part of their total household income. The role of the agricultural sector is definitely changing, in terms of its contribution to household incomes, as well as parents' desire for their children to lead a farming existence. No longer can wealth be determined by households' land holdings alone. Due to the transformation of Thuy Duong, no longer are we able to assume that the promotion of agricultural development alone will help improve the lives of the people living inside Thuy Duong. These findings coincide with the arguments put forward by for instance Rigg (2001, 2006) and Dien et al. (2011) regarding the conceptualization of people's livelihoods in areas undergoing agrarian transformations. Agricultural land conversion takes place alongside broader societal developments, in this case, industrialization and urbanization. Non-agricultural opportunities are present in the urban area of Hue as well as in Thuy Duong where industry is growing rapidly.

Agricultural land conversion

The shift from rural livelihoods to more diversified, rural-urban, or completely urban livelihoods is fastened by large-scale agricultural land conversion. Although in Vietnam, land use rights were distributed to individuals in the early 1990s, which gave land use rights owners the right to rent, transfer, exchange, inherit and mortgage their land use rights, actual ownership is not allowed. The new land law was implemented to allow land markets to flourish, which is strongly desired by powerful international donors such as the World Bank and the IMF. Chapter four shows that the state acts as a manager of all land. Governmental authorities are able to decide how the land should be used, for how long, and under what conditions. This situation leaves land use right owners dependent upon the will and wishes of local, regional and national authorities. Without ownership rights, it is relatively easy for the government to seize agricultural land from farmers. Common in the literature regarding agricultural land conversion is the vulnerable position of local populations vis-à-vis the actors, public or private, buying large plots of land (Han and Vu 2008; Zoomers 2010; DiGregorio). With growing urbanization and industrialization, the smaller cities in Vietnam, including Hue, are also witnessing large-scale land conversion. In Thuy Duong, land conversion emerged due to limited land availability for; a) the urban expansion of Hue; b) infrastructural improvement; and c) the expansion of Thuy Duong's industrial zone.

More than half of all agricultural land among the affected households has been converted in less than two decades, 373.47 sao from a total of 579.04 sao. Whereas protests against land seizures are growing in Vietnam, especially in the peri-urban areas around Ho Chi Minh City and Hanoi (see Lam 2006), no demonstrations were held by the people in Thuy Duong. Some people sent letters to the local authorities to show their discontent with the plans, however, they did not receive an answer. There were no channels to oppose the plans of the government during the meeting either, there was nothing the local authorities could do to prevent land conversion. "We have to follow the regulations of the government, whether we like it or not" was the general answer given. Research from for instance Han and Vu (2008), Van Suu (2008) and Kim (2011) show that people losing land in their selected research areas still heavily rely upon agricultural activities to secure their livelihoods. This is one of the main reasons why the villagers strongly reject the construction of urban areas on their agricultural land. This could also explain why protests were absent in Thuy Duong. Farming households already combined their agricultural activities with non-agricultural activities before agricultural land conversion. Another reason could be linked to spatial factors. Where the urban center of Hue is located only 5 km away from Thuy Duong, and is easily reachable, not all rural or peri-urban areas lie close to major urban centers. Conflicts and discontent generally arise due to low compensation prices, inadequate or the absence of training programs to help (former) farmers find new employment and the limited time available for shifting livelihood trajectories.

Livelihoods

Agricultural land conversion changes the assets people possess. In the sustainable livelihoods framework, the ways in which people construct their livelihoods depends on the access they have to the different livelihood assets. Chapter six illustrates not only the changes in livelihood assets due to agricultural land conversion, the chapter also delves into the importance of each asset in relation to other assets. Livelihood assets were measured before and after agricultural land conversion to identify the impact of land conversion. Most importantly, the role of natural capital is decreasing due to the growing importance of economic activities outside the agricultural sector. Because of this development, the role of human capital is becoming more and more important. The quality and quantity of human capital assets determine the emergence of social differentiation between households as shown in table 7.2. (page 86). People who acquired specific working skills in the past, before agricultural land conversion took place, are in a better position to improve their livelihoods than those without specific working skills. People working as carpenters or construction workers have better access to higher income-earning jobs. They have more stable incomes than people working at local markets or as xe ôm drivers. Income differences between people with and without specific working skills lead to social differentiation among the affected households, none of the households where (former) farmers have specific working skills are classified as poor. They either fall in the middle-income or higher-income group.

Villagers further make extensive use of their own social networks to find new employment opportunities, to exchange ideas, and to ask for advice or help. Everyone knows each other in the villages where people live and it is easy to ask for help from other villagers and relatives who live nearby. Many villagers are a member to one of the state-led unions, the most important ones being the farmer's union, the women's union and the union for the elderly. Membership to one of these organizations provides people the opportunity to gather information about relative topics and issues, as well as to discuss any problems people might face. Women receive information about raising children and to prevent social problems during meetings of the women's union. Even though local village leaders are also there to help villagers when they have problems, the respondents did not report that they go to their village leaders for help. In Thuy Duong, social relations within the family are most important of all social relations. These findings correspond to the argument made by Murray (2008) that family life remains essential for Vietnamese people. While others found that traditional family relations are fading away, particularly in urban areas (see Martine et al. 2008;), several generations live together in one house in Thuy Duong. They operate as a single household unit. They cooperate to secure everyone's livelihood. Family needs still go before individual accomplishments, and children are expected to take care of their parents once they are too old to take care of themselves. Thus, while the lives of the villagers are closely connected to the urban area of Hue, villagers do not have an urban lifestyle. The people interviewed said that they like their living area: 'it is quiet, and everyone knows each other, something one will not find in Hue', as explained by Duong Anh (50).

Livelihood trajectories

Livelihood trajectories based on agricultural activities on people's own land were not found among the respondents. While Dien (2011) found that although social differentiation is growing among households engaged in agricultural activities, as well as among non-agricultural activities, the peasant economy is still present. Farmers are still able to make a living as farmers due to increased production and better techniques used on agricultural land. In contrast, people in Thuy Duong can not rely upon agricultural-based livelihoods alone to build their livelihoods. In the context of limited agricultural land for agricultural production, low returns and high input costs, households have no option but to diversify their livelihoods or to shift to non-agricultural livelihood trajectories. It forces (former) farmers to reallocate their time and effort towards non-agricultural work (Rigg 2001, p.149). As the sustainable livelihoods framework points out, changes in the institutions in society influence the livelihood capitals of local populations. The research results reveal that most (former) farming households already combined economic activities in both sectors, the agricultural as well as non-agricultural sector. Agricultural activities are not the main source of income, especially for the middle-income and higher-income households. This also explains why the link between changes in people's daily lives and agricultural land conversion were not always as clear as expected at the beginning of this research. Due to the general development as a result of the *Doi Moi* policies, living standards improved and the presence of new employment opportunities already changed people's daily lives and their livelihood trajectories. Nevertheless, agricultural land conversion did speed up the process of shifting to other livelihood trajectories, and social differentiation among the households.

Although earlier on, I argued that no longer can wealth be determined by households' land holdings alone in the selected research area, we can not simply assume that land is no longer important at all. In contrast to Rigg (2001), who asserts that access to natural capital is not a necessary condition for rural livelihoods due to livelihood diversification, having agricultural land does help in decreasing households' expenditures. Since Thuy Duong is a peri-urban area, one could expect that the importance of natural capital would be less than in rural areas. Nonetheless, having land to work on acts as a safety buffer against times of (economic) hardship, and of unemployment of household members. This clarifies why the majority of people interviewed are not willing to transfer their land use rights, and why 59 percent of the households chose for livelihood diversification. They did not voluntarily shift to non-agricultural livelihood trajectories. Farmers who are still able to work do not want to give up their land. At this point in time, diversification strategies prevail. However, it is possible to argue that there is a certain degree of deagrarianization taking place in Thuy Duong. There is a shift in aspiration, particularly among the young, away from the agricultural sector; a widening availability of non-agricultural activities due to local industrialization; higher mobility; and spatial economic integration (Rigg 2001, p.6). For now, it is too soon to tell how long the agricultural sector will be relevant for the livelihoods of the respondents. This depends on, amongst other things, the availability and accessibility of non-agricultural employment opportunities.

Social differentiation

Social differentiation involves the degree in which households are able to construct sustainable livelihoods. The types of employment outside the agricultural sector and the income derived from these economic activities are widening the gap between the affected households. People who acquired specific working skills in the past, before agricultural land conversion took place, are in a better position to improve their livelihoods and thereby follow accumulative trajectories than those without any specific working skills except farming and low educational skills. The poor, mainly the older farmers who do not have specific working skills, and rely upon work as farm laborers become economically marginalized due to the decreased importance of the agricultural sector and the loss of agricultural land in general. This shows that contemporary land and labor markets are strengthening the social differentiation process (Nguyen 2008; Dien 2011, p.175). This research shows that the elderly are the most affected by the societal developments, including agricultural land conversion, industrialization and urbanization processes. They are too old to find a stable and high-income earning job in the industrial sector as they do not meet enterprises' requirements. In order to sustain their lives, the older farmers take on informal employment such as xe ôm drivers and farm laborers. Whereas before they were still able to work on their own land, and on the land of others to make ends meet, the limited availability of agricultural land decreases their incomes. Women also experience certain difficulties in relation to men. Women predominantly find work in the small-trade sector and at the local markets. Men generally have more higher-income jobs, and they have specific working skills, something women in Thuy Duong lack. With improved gender equality and girls attending school and university degrees, the position of women in society could develop in the nearby future. This is not guaranteed due to the gender division that is still in place in Vietnam. The younger generation is the least affected by agricultural land conversion. They have never worked as farmers, nor do they desire a farming existence. In comparison to the elderly, it is easy for young people to find jobs in Thuy Duong's industrial zone, even when their educational level is low (completion of primary and/or secondary school only).

In short, while some households (temporarily) attained higher living standards as a result of compensation packages, the compensation packages did not help in building more sustainable livelihoods for the poorer households. Among the poor households, over 60 percent of the money received was used to cover daily living costs and to rebuild or repair the house. The middle-income and higher-income groups used the compensation money for other purposes, including educational/vocational training for other household members and for business/trading purposes. No poor households saved their compensation money in the bank. Three respondents from the middle-income group, and two from the higher-income group saved a part of their compensation in the bank to receive interest.

Recommendations

This thesis provided an answer to the question in what ways the lives of affected households have changed due to agricultural land conversion. It turned out that the lives of the local population is influenced not only by land governance policies promoting agricultural land conversion. Policies related to industrialization and urbanization are also key in understanding livelihood changes. The research findings show that there is room for improvement in terms of governmental policies.

First and foremost, livelihood changes and agrarian transformations are very broad and complex. The changes unfolding in Thuy Duong can not be seen in isolation from events happening elsewhere. Agricultural land conversion occurs all over Vietnam, however, the positive and negative impacts of livelihood changes, and agricultural land conversion, differ from one locality to another. This calls for policies adjusted to local contexts, without neglecting broader geographical conditions and developments.

The second recommendation I would like to address relates to the voicelessness of local populations, in Thuy Duong as well as elsewhere in Vietnam. Political participation is still very restricted, there is a clear lack of transparent information regarding agricultural land conversion, and people have no chance to discuss the compensation packages they receive for their seized land. By giving them ways to participate in the process of agricultural land conversion, people then become active citizens and not only passive victims (see also Dien 2011, p. 176).

Thirdly, when looking at the situation of the (former) farming households in Thuy Duong and the transformation taking place through the lens of the sustainable livelihoods framework, there is a real need to create supportive policies to assist the affected households. It is important to not only look at the family members still involved in farming activities, as well as to all household members since the households in Thuy Duong operate as a single unit. In order to do this, the government has to examine how different economic activities are interrelated, and they should consider households' access to the different capitals. To help the poor, vocational training programs are strongly needed so they can obtain new skills. Additionally, more non-agricultural jobs need to be created. There is a growing, and very young labour force, with whom the elderly have to compete. When they are forgotten, poverty may increase among these households.

Suggestions for further research

While this research put emphasis on the changes faced by the people having agricultural land, there is also a group of landless villagers who might face different challenges as a result of agricultural land conversion, industrialization and urban expansion. Another issue is related to the migration of people from outside Thuy Duong into the commune. It would be interesting to focus more on the migration into the villages of Thuy Duong over time, the reasons why people migrate to this commune and how migration changes relations within the commune. Increased migration might spur new opportunities, and at the same create new challenges for the villagers who already lived in the commune as well as for the people who migrated to Thuy Duong. During my research, I felt that I did not have enough data to make specific arguments regarding the pros and cons of migration for the old, nor new residents.

Moreover, the ongoing developments in Thuy Duong and in the surrounding areas shape the perceptions and social relations of the local people. This research showed that the importance of farming is decreasing, as a source of income as well as a cultural feature. Especially the younger generations are not interested in farming, or farming life, at all for various reasons. Researchers could look in more detail at this issue, what it means for farming activities in Thuy Duong and what possible future implications might arise because of this trend. It would also be informative to look at the views of the youth regarding their life in Thuy Duong and whether or not they would like to stay here.

Finally, any suggestion for future research in Thuy Duong should also include studies focused on the impact of environmental issues at the local level. Where on the one hand, current development plans incorporate incentives to build better irrigation systems and waste treatment facilities, environmental issues and the consequences of unsustainable practices tend to be neglected. Plans made at the provincial or district level will certainly have an impact on the environmental conditions at the local level and environmental degradation has the potential to threaten the livelihoods of the people living in the commune. Dr. Yukihiro Hira, a visiting professor at HUAF, stressed that Hue, and the surrounding areas, are especially prone to sea level rise and extreme weather events which will probably be even more exacerbated due to climate change. The 1999 flood lead to many problems for the livelihoods of the people living in Thuy Duong, and more recent environmental problems such as decreased water quality were also mentioned during the interviews.

- End -

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Appendix 1. Introduction letter

Introduction letter provided to the respondents before the interview (translated version)

Thông tin dành cho người trả lời

Kính gửi các vị,
Trước hết, tôi cảm ơn rất nhiều vì được phép phỏng vấn hộ gia đình của các vị.

Tên tôi là Elma Lodder, là sinh viên Hà Lan. Để có bằng Thạc sĩ tại Hà Lan, tôi đã đến Huế để làm nghiên cứu về chuyển đổi đất nông nghiệp ở các ven đô thị các khu vực xung quanh thành phố Huế. Hơn nữa, thời gian ở đây tạo cho tôi nhiều cơ hội để tìm hiểu và học thêm về cuộc sống của người dân ở vùng này. Cùng với Đại học Huế, trường Đại học Kinh tế, xã Thủy Dương nằm trong vùng nghiên cứu của tôi.

Bên cạnh phỏng vấn các chủ hộ gia đình, tôi cũng muốn được phỏng vấn các thành viên khác trong gia đình vì muốn quan tâm tìm hiểu thêm về những điểm tương đồng và khác biệt giữa các nhóm xã hội khác nhau (phụ nữ, người lớn trẻ tuổi, người già) và sự khác biệt giữa các cá nhân. Để có thu được các thông tin này, tôi sẽ dùng bảng câu hỏi và sẽ hỏi một số câu hỏi bổ sung. Những câu hỏi này liên quan đến tiểu sử của các vị trước và sau khi chuyển đổi đất. Ví dụ: nếu và cuộc sống của một ai đó đã thay đổi như thế nào do chuyển đổi đất nông nghiệp.

Điểm quan trọng để xem xét bao gồm:

→ Tham gia tự nguyện 100%. Người trả lời được tôn trọng về quyền tự do quyết định liệu tham gia và trả lời tất cả các câu hỏi hay không

→ Bí mật dữ liệu được bảo vệ. Dữ liệu thu thập được người nghiên cứu quan tâm sâu sắc. Tên của người trả lời có thể được thay đổi để duy trì giấu tên của một người.

→ Những người tham gia sẽ thoải mái trả lời tất cả các câu hỏi, không có câu trả lời đúng hay sai.

→ Khi kết thúc công việc thực tế này, một bảng tóm tắt ngắn về kết quả thu được sẽ được thông báo cho những người tham gia bằng tiếng Việt.

→ Bài nghiên cứu cuối cùng sẽ được công bố công khai bằng tiếng Anh.

→ Những người tham gia được tự do đặt câu hỏi liên quan đến nghiên cứu và các kết quả thu được ở bất kỳ thời điểm nào.

Cuộc phỏng vấn này sẽ bắt đầu với câu hỏi cơ bản liên quan đến thông tin xác thực (thành phần hộ gia đình, tài sản người sở hữu, hoạt động sinh kế chính). Các cuộc phỏng vấn tiếp theo dành cho các thành viên khác sẽ được dựa trên các thông tin được đưa ra trong bảng câu hỏi.



ELMA LODDER

Junior Researcher
Student International Development Studies
& Global Environmental Governance
Utrecht University, Hà Lan
Free University Amsterdam, Hà Lan

CONTACT DETAILS

T: 01682893106
E: elma.lodder@gmail.com

Appendix 2. Land use changes Thuy Duong



CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM
Độc lập - Tự do - Hạnh phúc

BIẾN ĐỘNG DIỆN TÍCH ĐẤT THEO MỤC ĐÍCH SỬ DỤNG

Đơn vị báo cáo:
Xã Phương Thới Dương
Huyện Thị xã Hương Thủy
Tỉnh Thừa Thiên Huế

Ban hành kèm theo
Thông tư 08/2007/TT-BTNMT ngày 02/08/2007
của Bộ Tài nguyên và Môi trường
Biểu số 08-TNDD

Năm 2009 so với năm 2010 và năm

Đơn vị tính: ha

Thứ tự	MỤC ĐÍCH SỬ DỤNG ĐẤT	Mã	Diện tích năm 2007	Số năm		Số năm		Ghi chú	
				Diện tích năm 2007	Tăng (+) giảm (-)	Diện tích năm	Tăng (+) giảm (-)		
(1)	(2)	(3)	(4)	(5)	(6) = (4)-(5)	(7)	(8) = (4)-(7)	(9)	
	Tổng diện tích tự nhiên		1250,00	1250,00					
1	Đất nông nghiệp	NNP	782,54	782,54					
1.1	Đất sản xuất nông nghiệp	SXA	411,05	411,05					
1.1.1	Đất trồng cây hàng năm	CHN	378,53	378,53					
1.1.1.1	Đất trồng lúa	LUA	282,91	282,91					
1.1.1.2	Đất có năng suất chăn nuôi	CCN	0,50	0,50					
1.1.1.3	Đất trồng cây hàng năm khác	HNK	95,12	95,12					
1.1.2	Đất trồng cây lâu năm	CLN	32,52	32,52					
1.2	Đất làm nông	LNP	343,27	343,27					
1.2.1	Đất rừng sản xuất	RSX	343,27	343,27					
1.2.2	Đất rừng phòng hộ	RPH							
1.2.3	Đất rừng đặc dụng	RDD							
1.3	Đất nuôi trồng thủy sản	NTS	28,22	28,22					
1.4	Đất làm muối	LMU							
1.5	Đất nông nghiệp khác	NKH							
2	Đất phi nông nghiệp	PNN	457,32	457,32					
2.1	Đất ở	OTC	154,28	154,28					
2.1.1	Đất ở tại nông thôn	ONT							
2.1.2	Đất ở tại đô thị	ODT	154,28	154,28					
2.2	Đất chuyên dùng	CDG	232,89	232,89					
2.2.1	Đất trụ sở cơ quan, công trình sự nghiệp	CTS	2,16	2,16					
2.2.2	Đất quốc phòng	CQP	3,42	3,42					
2.2.3	Đất an ninh	CAN							
2.2.4	Đất sản xuất, kinh doanh phi nông	CSK	88,10	88,10					
2.2.5	Đất có mục đích công cộng	CCC	129,21	129,21					
2.3	Đất tôn giáo, tín ngưỡng	TTN	10,04	10,04					
2.4	Đất nghĩa trang, nghĩa địa	NTD	26,14	26,14					
2.5	Đất sông suối và mặt nước chuyên dùng	SMN	33,97	33,97					
2.6	Đất phi nông nghiệp khác	PNK							
3	Đất chưa sử dụng	CSD	10,14	10,14					
3.1	Đất bằng chưa sử dụng	BCS							
3.2	Đất đồi núi chưa sử dụng	DCS	10,14	10,14					
3.3	Hai đá không có rừng cây	HCS							

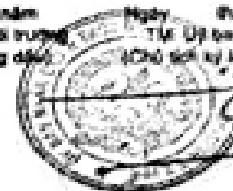
Ngày tháng năm
Người lập biểu
(Ký, ghi rõ họ tên)

Ngày tháng năm
Cơ quan lập biểu
(Thủ trưởng ký tên, đóng dấu)

Ngày tháng năm
Cơ quan tài nguyên và môi trường
(Thủ trưởng ký tên, đóng dấu)

Ngày tháng năm
Tài liệu ban hành kèm theo
(Chữ ký lập, đóng dấu)

Đinh Lê Quốc Dũng



Phùng Hòa Trung

Appendix 3. Development projects Thuy Duong

No.	NAME OF PROJECT	LAND LOCATION	AREA(m ²)	DECISION YEAR	DECISION NUMBER	G	AIM OF USE
1	Hue textile company	Thuy Duong Commune	21772	2/1/2007	264	G	Seized and allocated for people's committee of Huong Thuy commune to plan, divide into plots, implement procedure and formalize right of land use
2	Company of investment joint stock and construction – Hue branch	Thuy Duong commune, Huong Thuy District	900	10/20/2008	2413	G	Build and expand aperture for flood subsidizing
3	Hue plant quarantine station	Thuy Duong Commune	600	2/25/2009	417	G	Build headquarters
4	Bưu điện Hương Thủy	Thuy Duong Commune	135.6	11/7/2008	2560	T	Build Thuy Duong post office
5	Thien An Phat textile investment joint stock and construction	Thuy Duong Commune	12867	11/27/2008	2663	T	Build 16 assembly line textile factory
6	Công ty Cổ phần dệt may Huế	Xã Thủy Duong	4508	11/27/2008	2662	T	Expand the factory
7	Ban quản lý dự án công trình giao thông Thừa Thiên Huế	Xã Thủy Duong	8912.9	4/23/2008	975	TH	Seize and compensate for ground clearing, build Thuy Duong resettlement zone

wh
* fe
* cos

8	Thien An joint stock company	Thuy Duong commune	727898	4/20/2009	814	TH	Build golf court and relevant service project at Thuy Duong commune, Huong Thuy
9	Viet Thang limited company	Thuy Duong commune	48264.5	9/15/2009	1971	TH	Build Hue ecological tourist area
10	Viet Thang Limited company	Thuy Duong	41153.8	8/31/2010	1583	T	Build Hue ecological tourist area
11	Hue textile joint stock company	Land no. 165, land registry map 26 at Thuy Duong commune	3275	11/22/2011	2446	T	Build houses for workers at industrial zone
12	Thien An joint stock company	Thuy Duong	57411	3/12/2010	494	TH	Make up for clearing the ground, decorate and reconstruct cemeteries, gather graves for golf court project

Appendix 4. Questionnaire

QUESTIONNAIRE

DATE:

1. Name of respondent:
2. Age of respondent:
3. Gender of respondent:

4. Household members

	Name	Sex	Relation with head of HH	Age	Educational level	Occupation and place of work (2000)	Occupation and place of work (2012)
1							
2							
3							
4							
5							
6							
7							
8							

5. Changes in household

		2000	2012
Total members			
Total laborers			
Farm laborers			
Non-farm laborers	Workers textile factory		
	Construction workers		
	Market worker		
	Other		
Laborers that do both farm and non-farm work			

PART 2 – AGRICULTURAL LAND CONVERSION/NATURAL CAPITAL

2.1. How much land was converted (sao or m2)?

Agricultural land

Residential land

2.2. When was your land converted (in how many times)?

2.3. Why was your land converted?

urban housing expansion

infrastructure development (road/bridge)

tourism (golf court/wooden house)

other;.....

**2.4. How often (period) did you work on your land *before* land conversion took place?
(how many people?)**

**2.5. How often (period) did you work on your land *after* land conversion took place?
(how many people?)**

2.6. Has agricultural income ever been the only source of income? Why yes/not?

2.7. Before and after land conversion, what percentage of your income was derived from farming activities? (in VND)

Before land conversion	After land conversion
ON-FARM%	ON-FARM%
NON-FARM%	NON-FARM%

2.8. After land conversion, did you rent or buy land for agricultural production?

Yes

No

If yes,

Area (m2)	
When did you buy/rent?	
For how long?	
Where?	

3.3. Income from other sources

- 0 allowance
- 0 retirement pension
- 0 gifts
- 0 interest from banks

3.4. Structure of household living costs (VND)

Average income per month:

Average expenditures per month:

3.5. Division of income; who earns what and who contributes what to the family income**3.6. Other assets (0=no and 1=yes)**

Type	Before land conversion	After land conversion
- Telephone		
- Mobil		
- Motorbike		
- Bike		
- Television		
- Washing machine		
- Fridge		
- Gas stove		
- Hot and cold shower system		
- Other		

3.7. Compared to your situation before land conversion, your living standard has;

- 0 Increased
- 0 Decreased
- 0 No change

3.8. Compared to other other households in your village, which group did your household belong to before land conversion?

- Poor
- Under average
- Average
- Upper average
- Rich

3.9. Compared to other households in your village, which group does your household belong to after land conversion?

- Poor
- Under average
- Average
- Upper average
- Rich

PART 4 – COMPENSATION

4.1. In how many stages was your land converted by local authorities?

4.2. How much compensation did you receive in total?

AGRICULTURE	VND
RESIDENTIAL	VND

4.3. Who provided the compensation (government/private company/other)?

- government
- private company
- other (please explain)...

4.4. How did you use your compensation?

- Divide up children
- Save in the bank
- Repair/build the house
- Buy furniture
- Used for business/trading
- Agricultural production
- Education and vocation training
- Lending (within relative)
- Daily living
- Other (please explain)

4.5. Did you receive any vocational training?

0 Yes

0 No

If yes,

what kind of training?

level of satisfaction?

useful to find a new job?

PART 5 – SOCIAL CAPITAL

5.1. Are any of your household members part of the following organizations?

	Name of organization	Number of household members	Position in organization (member/leader)
1	Farmer association		
2	Worker's association		
3	Women's union		
4	Youth union		
5	Veterans' union		
6	Credit group		
7	Informal credit group		
8	Community committee		

If yes, how often do the household members participate in meetings of these organizations?

0 > 10 times per year

0 5-10 times per year

0 1-4 times per year

0 Never

5.2. Who do you ask for help if you need it?

0 Relatives

0 Friends

0 Neighbours

0 Local leaders

5.3. How would you assess your social relationships before/after land conversion? (Why?)

- 0 Increase
- 0 Decrease
- 0 No change

PART 6 – LIFE IN THUY DUONG

6.1. How long has your family been living in Thuy Duong?

6.2. What kind of house did you build and when?

6.3. Could you tell me something about the ways in which your life has changed over the years because of land conversion?

Positive:

Negative:

6.4. What are the main social issues (challenges) in Thuy Duong at present?

6.5. What do you think about the following social issues in your village now and in 2000?

Robbery	Worse	Similar	Better
Gambling	Worse	Similar	Better
Alcoholism	Worse	Similar	Better
Drug use	Worse	Similar	Better

6.6. What do you think about the following problems in Thuy Duong now and in 2000?

Waste treatment	Worse	Similar	Better
Air pollution	Worse	Similar	Better
Water quality	Worse	Similar	Better

6.7. Do you have any suggestions or comments for the government and (foreign) investors in order to increase your income and secure your livelihood after land conversion?

Thank you very much for your cooperation!